For Secretary's Office DAILY DIGEST May 1, 1923.

Section 1.

Forest Land Purchase Desired

A Boston dispatch to the press to-day says: "Governor Cox has written to President Harding and a delegation of forestry experts, newspaper publishers, lumber and paper manufacturers and others will go to Washington May 1 to see the President in support of a proposal to resume the $2,000,000 annual Federal appropriation in effect before the war for purchase of forest lands. This year's appropriation is $450,000. The Governor in his letter said that the National Forest Commission in recent years had been unable to acquire land in competition with lumber companies because of the reduced appropriations.'As the lumber operations in all parts of the White Mountains are excessive, including the high slopes, except on those tracts already acquired by the Government,' Governor Cox wrote,'I most earnestly urge in the interest of the water powers of Massachusetts the approval, in so far as the circumstances warrant, of such increases in the appropriation this year as may permit the completion of the program at the earliest practical moment.'"

Cattle Tariff

Investigation of the tariff duties on stock and feeder cattle with a view to an adjustment that will aid the cattle feeders in the United States who depend to some extent on Canadian sources of supply was asked of the Tariff Commission yesterday in a brief filed by the American Farm Bureau Federation. The Pennsylvania federation and the Illinois Agricultural Association also filed briefs urging that the present duty be reduced the full 50 per cent permitted by the flexbile provisions of the tariff law. The Farm Bureau Federation's brief declared the effect of the duties had been to increase the spread between prices in Canada and the United States by forcing the former's prices downward, and the rates are described as "an absurdity if not a monstrosity." Canadian authorities, according to the brief, calculate the tariff has reduced their cattle values about $15 a head. No mention was made of other classes of livestock. (Press, May 1.)

Sugar Hearings Postponed

A New York dispatch to the press to-day states that hearing of the Government's application for a temporary injunction to restrain raw sugar futures' trading on the New York Coffee and Sugar Exchange was adjourned until May 7 after the Government had presented arguments to sustain its petition and filed a mass of documents and affidavits. The plea of counsel for the exchange for a postponement of the hearing for one week until chief counsel, John W.Davis, could be present, was granted. Assistant Attorney General A.T.Seymour and Special Assistant J.A.Fowler, in presenting the Government's case, asserted that since February 7 an orgy of speculation has been indulged in through the instrumentality of the exchange and its clearing association and that enormous quantities of raw sugar, more than the total stocks then in existence, have been the subject of fictitious or "paper" sales. The result, they said, was that the price of raw and refined sugars had been increased more than 2 cents a pound to the consumers.

Sugar Beet Drive

A Denver dispatch to the press to-day states that the Great Western Sugar Company has just announced plans for promoting the growing of sugar beets in Northern Montana this year.

Section 2.

Cooperative Organizations

The Idaho Farmer for April 26 says in an editorial: "The aggregate active membership in the various farm organizations throughout the country is large in point of numbers, but comparatively small in proportion to the total number of producers eligible to membership in such organizations. Yet the united effort of those who have seen the signs of the times and have properly read them has brought about results of stupendous value. ... There are perhaps as many farmers outside of organizations to-day as are holding memberships. Half the producers of this country are carrying a burden that should be borne by the entire farming population, and the half that are carrying the load are profiting little more than those outside. In fact, in many cases the members of cooperative organizations are making temporary personal sacrifices with a view to ultimate solution of farm problems and the general betterment of the agricultural industry."

Crop Production

Basing an editorial on the recent report issued by the commission of economic experts called to Washington by Secretary Wallace, Orange Judd Farmer for May 1 says: "The probable decrease in foreign demand, however, is not significant of lower prices this year. Our own domestic market, by reason of abundant employment and industrial activity which seems likely to continue for the balance of the year at least, will have an unusual consuming power, and unless we produce a burdensome surplus it should absorb this year's crops at a reasonable price range. Every indication now is that the present season will not be one of burdensome production. Drought and a late spring have already limited wheat production. Labor conditions and an unfavorable early season seem to insure another cotton crop that at best can only be barely sufficient to meet spinning needs. Large hog supplies and a domestic demand for all meats require a corn crop as large as labor conditions can encompass. Taking the industrial condition in connection with weather and labor conditions on the farm, the opinion of close students of economic affairs is favorable to a better farm price return this year than during 1921-1922."

Crop Reduction

The Indiana Farmer's Guide for April 28 says in an editorial: "Naturally, when the Government reports that 2,000,000 persons have gone from farms to towns and cities, and that only 880,000 have gone from towns and cities back to the farm, it is to be expected that the farm production will be reduced. This is an automatic reduction, not an intended curtailment of farm products. In fact, a purposed lowering of farm production seems to us impracticable for many reasons; but it also seems that this curtailment naturally results whenever there is an overproduction and whenever prices in one line are reduced below the profit margin. So it is likely that the man who takes his line, sticks to it and produces along that line, year in and year out, obtaining the advantages that come and suffering the losses that may result in odd years, is, in the end, making a better business of his work than the one who attempts to change his farming to suit his interpretation of what has happened and his own forecast of what is going to happen. When even the men who make a business of studying the market make mistakes, it is unreasonable to expect that the average individual, giving only a few minutes a day to market reports, can foresee the rise or fall."

Farm Population

"Farm Population Falling Off at the Rate of a Million a Year" is the title of an article in The New York Times for April 29, based upon material given out by the Department of Agriculture, followed by an interview with Gray Silver, Washington representative of the Farm Bureau Federation. Mr.Silver says in part: "The Department of Agriculture's recent statistics, showing that one out of every sixteen farmers in the United States sold his farm last year, that the occupants of one out of every five farms moved either to other farms or elsewhere, and that 230,000 tenants discontinued farming altogether and sought some other occupation, prove statistically that the farmers have not been able to secure a proper return for their hard labor and the isolated life which they live." Quoting at length from department figures, Mr. Silver continues: "All this grief has come to the farmer, although he is the most efficient man of his class in the world. It has come to him in spite of the many economies which he has practiced, in spite of his increasing employment of machinery and every labor-saving device available. He has been struggling to keep out from under the yoke of the European peasant, with whom he is forced to compete. In China it requires seven farmers to support ten people in the city. In the United States it requires only three. Until the last few years of unfortunate financial reverses our farmers have successfully competed with the millions of peasants and coolies of Europe. They have sold their wheat in the markets of the world on a world price basis, and, by the use of machinery and the consequent small amount of man power per acre, have met their competitors at a common price. ... The Government, executive as well as legislative branches, realizes the danger arising from desertion of the Nation's farms and is giving study to the question in an effort to find some way to switch the rural population from its present minus position back into the plus column."

Railroads

The Farmer and Breeder for May 1 says in an editorial: "Agriculture is truly our basic industry, for without food products civilization would be impossible. But agriculture depends upon other industries just as they depend upon the farmer. In a country that is nearly 3,000 miles from sea to sea, one of the most important agencies is transportation. The interests of producers and railroads are mutual. The country has made the railroads, but the railroads have also built up the country. Neither could have prospered without the other, nor can either prosper in the future without the other. As the railroads are an absolute necessity for the farmer, it is necessary that the railroads be kept efficient and in good working order. A breakdown in the transportation system of this country would bring untold disaster."

Raisin Marketing Crisis

Commenting upon the fight that the Sun-Maid Raisin Growers of Fresno are making for continuation, The California Fruit News for April 21 says: "Whatever may be thought of the merits of the management of the raisin association's affairs in the past (and it is, of course, obvious, through the very necessity of this campaign, that the management has not been efficient and sufficient), and whatever objections there may be to many of the details in the present contract (and there are several that are important), and whatever may be thought of the advisability of this move in its methods (and it would seem there is opportunity to question the

diplomacy of the handling of the case), nevertheless the situation has been developed as it is and the facts are as they are. Fresno itself was closed the entire day on Wednesday. The merchants shut up the town and took a hand in assisting in the campaign for signatures to stock subscriptions and growers' contracts. It is a case of 'moving heaven and earth to get away with it' and this is another of the adverse features of growers' cooperative movements. Some one and many some ones have to be forced into what they do not willingly want to do. This can not be avoided in drives of this character. No stone is being left unturned, however, by either the management of the association or the commercial interests, individually and collectively, and a great deal of credits is due to all of these men for the time and energy given to what is to them in the San Joaquin Valley a matter of the most vital importance. One can hardly blame anyone, under all of the circumstances, for not wanting to sign up. On the other hand, one is sure that there should be sufficient signing up. And there you are. The outcome should be successful and we hope that the raisin association's affairs will be put into more substantial shape than heretofore and humanity met as it is rather than as it perhaps ought to be -- cooperative marketing institutions can hardly survive many such crises."

Sugar Prices

The Idaho Farmer for April 19 says in an editorial: "Fearing that some of the 'gouged people of the cities' may be led to believe that the beet farmers of the North and the cane-growers of the South are sharing in the proceeds of the recent sensational advances in sugar, the Farmers' Union has issued a ringing statement from Washington. ... There is indeed something radically wrong, as this statement declares, with an economic system that 'permits the calm fleecing of more than 100,000,000 American people.' The remedy proposed by the Farmers' Union is the remedy so often urged in these columns -- cooperation. As this statement says, it is possible so to organize that 'we shall be able to refine our own sugar and market the finished product. We can stabilize the sugar market just as we have stabilized the cotton market, the prune market and the raisin market; we can do it by being our own salesman, our own middleman and our own financier.' The speculative spirit is too deeply implanted in the nature of a large number of the American people to warrant a strong hope that it can be suppressed. It must be corrected and curbed, as this Farmers' Union statement says, by cooperation among the producers."

Tobacco Marketing

Commenting on a recent department release reporting a ten per cent increase in tobacco acreage for 1923, Orange Judd Farmer for May 1 says: "This presents to the cooperatives in the tobacco district, most of which are organized on the iron-clad contract pooling plan, the same question that must be met by every such marketing organization. What to do with the surplus? An increased price inevitably brings a surplus production, and the surplus breaks the price, often with a loss to those on the inside who pay the cost of the organization. That is exactly what happened to tobacco growers similarly organized once before, and apparently history is in a fair way to repeat itself. It will be interesting to see if a new commodity pool in tobacco can devise any way of escaping the same rocks that wrecked the earlier similar type of organization. If pools are going to control price they must control production also."

Section 3.

Department of Agriculture

The Michigan Business Farmer for April 28 says in an editorial: " ... The last thing you would tell the banker of whom you were trying to borrow money would be the discouraging side of your business. ... There can be no question but what the airing of the farmer's demoralized financial condition has reduced by a great many millions of dollars the value of the farms in this country. The price of any commodity is set by the demand for it, and buyers are not going to clamor for a business which is reported to be in such bad shape as the farming business is. Probably it is true that no single source of information has been so prolific in its output of this sort of publicity as has the Department of Agriculture. However, Secretary Wallace is not to be hastily condemned because it is undoubtedly true that he was trying to prove to the lawmakers ... that the situation was, as we know it to be, very serious, and that unless some changes were made and some relief offered the farmer, a serious catastrophe might result. It is not clear to us how the Secretary could have made these facts known without making them public, and if he made them public than the farming business generally had to suffer the consequences. Farmers as a whole may not be in as bad shape as has been painted. ... We do believe, however, that optimistic publicity given to the farming business at this time will aid in reestablishing conditions, and we believe that Secretary Wallace has in the Department of Agriculture, the most potent force through which this information may be broadcasted."

Section 4.
MARKET QUOTATIONS.

Farm Products

Apr. 30: Liquidation resumed on the 30th and wheat prices declined. Visible supply wheat 44,521,000 bushels compared with 31,281,000 bushels same date last year. Visible supply corn 22,339,-000 bushels compared with 35,564,000 bushels same date last year. Closing prices in Chicago cash market: No.2 red winter wheat $1.31; No.2 hard winter wheat $1.24; No.2 mixed corn 82¢;No.2 yellow corn 83¢; No.3 white oats 46¢. Average farm prices: No.2 mixed corn in Central Iowa 69¢; No. 2 hard winter wheat in Central Kansas $1.08; No. 1 dark northern wheat in Central North Dakota $1.07.

Hogs opened steady to 10¢ higher, later weak to 10¢ lower. Beef steers slow;butcher cows and heifers, stockers and feeders scarce, steady to strong; veal calves 25¢ higher; Colorado wooled lambs mostly 25¢ higher, other classes steady. Hogs, bulk of sales $7.70 to $8.15; butcher cows and heifers $4.50 to $9.75; light and medium weight veal calves $8 to $10; fat lambs $13.50 to $15.25; fat ewes $7 to $9.50.

South Carolina Wakefield cabbage $4 to $5 per bbl. crate, reaching $5.25 in Boston.Texas Flat Dutch $100 to $110 per ton bulk. Texas Yellow Bermuda onions $2.50 to $3.50 per standard crate in city markets; $1.65 to $2 f.o.b. cash track at shipping points. Louisiana Klondike strawberries $3.50 to $4.25 per 24-pt.crate in leading markets;$2.65 to $3.18 f.o.b.;30 to 35¢ qt.basis New York. North Carolina Klondikes 25 to 35¢, Florida Spaulding Rose potatoes $8.50 to $10 per bbl. in city markets;$7.25 f.o.b. Texas sacked Bliss Triumphs $6 to $6.50 per 100 lbs. in Midwestern markets. Eastern sacked Round Whites $1.85 to $2. Maine Green Mountains $2.25 to $2.35 in Boston.

Spot cotton prices declined 56 points,closing at 27.09¢ per lb. New York May future contracts declined 51 points,closing at 27.62¢. (Prepared by Bur.of Agric.Econ.)

Section 1.

Swift Opposes Packer Merger

A Kansas City dispatch to the press to-day says: "Approval by the Department of Agriculture of the merger of the Armour & Co. and Morris packing enterprises would have a depressing effect on Kansas as a competitive livestock market, John P.Swift, of Swift & Henry, livestock commission merchants, told representatives of the Department of Agriculture at Kansas City yesterday at the hearing on details of the merger. Mr.Swift said the buying activity of Morris & Co. April 30 was unprecedented. 'I believe,' he said, 'that they had orders to step on the gas and be free buyers.'"

Foreign Situation

Speaking yesterday before the members' council of the Merchants' Association at New York, Julius H.Barnes, president of the Chamber of Commerce of the United States, reviewed the economic situation in several European countries and urged that private initiative be preserved in America. The prime essential, he said, is that Government shall preserve the initiative of the individual and give to him his own opportunity to work out his own niche according to his own character and ability and his willingness to effort. "We were discouraged and alarmed by the prevalence in Europe of that fallacy which our whole governmental history has disproved, the belief that by the limitation of the amount of work done by the individual many more workers will find employment and that their aggregate earning power would be increased," Mr.Barnes said. "In agriculture the rest of the world sneers at us, at our per acre yield of agriculture," he said. "We challenge it to produce the equal of twelve tons of cereal per worker against one and one-half tons, the average of the rest of the world. We place a premium on the individual human worker and not on the natural resources of acreage itself. It is quite true that in price relation agriculture has suffered a relative disability, but this is being corrected, and the day will come when agriculture will no longer point to the mere statistics of workers on the farms or residents in country villages as proof of decadence in agriculture, but point with pride to the maintenance of a fuller volume of production, with fewer calls upon man-power." (N.Y. Times, May 2.)

Reserve Board Criticized

A dispatch from Ottawa to the press to-day says: "Professor Irving Fisher, of Yale University, testifying before the Banking Committee of the House of Commons May 1, declared that the Federal Reserve Board of the United States should keep its rediscount rate above the market rate for money. The effect of such a policy, which is similar to that followed by the Bank of England, would be to check a tendency to inflation that now exists in the American system,' he said. Had the Federal board pursued the English plan in 1920, it could have checked the financial crisis of that year, he declared."

Sugar Boycott

The press to-day says: "Administration approval was given May 1 to the Nation-wide movement to boycott sugar, but officials made it plain that the Government, of necessity, could have no formal hand in the campaign, which has for its purpose the minimizing of the demand as a means of checking soaring prices."

Section 2.

Agricultural Leadership

"Agricultural Radicalism" is the title of an editorial in Chicago Journal of Commerce for April 28, which says: "Disraeli once cynically stated that 'politics is the art of governing men by deceiving them'; agricultural leadership is becoming too much the profession of a class of men studied in the art of winning the confidence of the real working farmer by feigning a sympathy with his economic ills, and using this traitorously gained sympathy and confidence in victimizing him by some cooperative, socialistic or chimerical scheme. Agricultural leadership has developed too many tinkers and too few thinkers. The radicalism that pervades the farming communities to-day is ninety per cent due to the contempt that the majority of present day farmer leadership has for true American principles; in their atavistic efforts they support every conceivable 'ism' except Americanism. Every sound thinking person hopes that when the rank and file of the real working farmers get settled in the economic readjustment that has necessarily had to take place during the past few years, and when these farmers' vision is cleared so that they can see beyond the smoke-screen of the fallacious propaganda that has bolshevised their perspective, that they will make quick work of the greater part of their present leadership and remove the stigma of radicalism that such leadership has brought upon them. The more one studies the problem the more evidence he will find that the radicalism of our rural element is solely the radicalism of a leadership that has stealthily imposed itself upon the farmer in an hour of economic trouble, and if this great basic industry is as sound as our sober judgment leads us to believe it will soon be over."

Banker and Farmer

New York Commercial for April 30 says: "'The crucial problem with the farmer,' said Dean H.L. Russell, of the Wisconsin College of Agriculture, addressing a meeting of bankers last week, 'is when may he expect a reasonable parity in value for his labor when exchanged for the labor of others.' No one who has made the slightest study of the subject will deny that farm labor is far below a parity with industrial labor. The answer to Dean Russell's question is that a reasonable parity will be restored when industrial labor is willing to render a fair day's work for a fair day's pay, when brick layers, who are being paid $10 a day, will return to the basis of laying a thousand or twelve hundred bricks a day, as they used to do, instead of calling four hundred bricks a day's work, even if it takes only four hours to lay them out of the eight they are supposed to be employed. The parity will be restored also when there has been a corresponding deflation in farm land values. An acre of farm land producing fifteen bushels of wheat that brought $2 a bushel would theoretically be worth twice as much as land that produced wheat bringing only $1 a bushel. It was while the $2 price was in operation that land values went up but they have not come down to meet wheat at a dollar. Perhaps the case could be stated a little more accurately by saying that values have come down but the mortgages have not. When wheat brought $2 on the farm, there was a possibility of paying the interest on these mortgages, but not that it is down to $1, relatively speaking, it takes twice as much wheat to pay the interest. Industrial concerns were able to write down their inventories and take their losses; agriculture was not, and

is suffering accordingly. There will be a parity restored when there is an end to the issue of tax exempt bonds which encourage extravagance on the part of the States and municipalities and increase the tax burdens of the farmers to meet the interest payments thereon, and when there is a reduction in surtaxes so that wealth, instead of hiding in these tax exempt securities, will enter industrial channels and provide additional income to be taxed and thus bear its due share of the burden. These are a few of the things that will help restore the parity that Dr.Russell craves."

Business Conditions

The Federal Reserve Board says in its statement for the press of May 1: "Credit developments during the past month have further emphasized the fact that current business expansion is being financed independently of reserve bank credit. In these circumstances, the weekly statement of the reserve banks is not indicative of changes in credit conditions. Changes in reserves, in earning assets, and in Federal Reserve note circulation have been relatively slight since last summer and have not reflected the considerable growth in bank credit. ... The increased use of credit, which is reflected in the larger loans and investments of member banks, but not in the earning assets of Federal Reserve banks, has been primarily in response to the increased volume of production. Thus far business expansion has been characterized by a rapid increase in the output of basic commodities. In fact, the growth in the physical volume of production since the middle of 1921 indicates a rate of industrial recovery almost without parallel in American business. Within a year and a half after recovery began the monthly output of 21 basic commodities, as measured by the Federal Reserve Board's index of production, increased over 67 per cent. The volume of goodsproduced and consumed during the first quarter of 1923 probably exceeds that of any similar period in the history of the country. ... "

Commenting on this report, The New York Times for May 1 says: "We are accustomed to look to the reports of the Federal Reserve Board for careful analysis of general business conditions as well as of banking and the credit situation. What most strikes the reader of its latest survey is the emphasis which it lays upon the astonishing recuperative powers of the country. ... The whole showing is a remarkable official confirmation of the general belief that abundant prosperity has been flooding the Nation. The dangers which always lurk in such a situation are not ignored by the Federal Reserve Board. It accompanies its account of the immense and gratifying industrial development with the warnings which the case calls for. As yet there is no overstrain of credit, but the moment it appears in a form at all threatening the Federal Reserve Board leaves the country in no doubt that it will be prepared to take the proper action. Yet its warning applies not alone to banks, but also to manufacturers and business men. They, too, must be on the watch lest the perils of overexpansion prove even greater than those of a time of liquidation and depression. As a matter of fact, this advice had been taken to heart even before it was given. Nothing has been more characteristic of the recent utterances of banking authorities and industrial leaders and merchants in past weeks than the grave words with which they all speak of the need of being on guard and not losing our heads simply because prosperity for the time being seems to be unexampled and endless."

Cooperative Marketing

The Farmer for April 28 says in an editorial: "On other pages of this issue of The Farmer may be seen an advertisement published by the publicity committee of the Minneapolis Chamber of Commerce. In this advertisement will be found a clear and frank statement with reference to the position of this organization on the matter of marketing grain. Coming at this time when the cooperative marketing movement is sweeping the Northwest, this unusual advertisement may be interpreted as a defense of the present grain-marketing system and as an argument against the application of the cooperative marketing plan to the handling of grain. It is most interesting to note in this statement by the Chamber of Commerce that indorsement is given to the cooperative marketing idea as applied to potatoes and other perishables. The matter of applying the California cooperative marketing idea to the handling of grain has been started in North Dakota and States farther west, but has not been thoroughly discussed in Minnesota as yet. First attention in Minnesota has been paid to the organization of the potato crop, dairy products, wool, and eggs. The handling of the wheat crop, produced in many different sections of the United States and sold in the world's markets, is admittedly a larger and more complicated task than the handling of such crops as fruit, tobacco, potatoes, or cotton. ... Some of the leading grain men of the United States are sufficiently converted to the cooperative marketing idea that they are most carefully studying the system, trying to find ways and means of raising the general level of grain prices through cooperation. Thoughtful farm leaders, made wise by former failures in cooperative grain marketing, are giving the same careful study to the question. The recent combination of forces by the Northwest Wheat Growers, the U.S.Grain Growers Sales Agency, and the Equity Exchange is an illustration of planning for the future. A full and complete organization of the wheat crop is contemplated. Some of the cooperative leaders are doubtful of the result of this combination. The Northwest is ready to go forward immediately in the formation of cooperative marketing organizations for handling potatoes, dairy products, wool, and eggs. Nothing should stop this movement, and business men will help the farmers and themselves by squarely lining up with it. This job should be finished as quickly as possible. The controversy over the application of cooperative marketing to grain might well be deferred until the other commodities have been efficiently organized. In the meantime, grain farmers should be studying the arguments both for and against cooperative grain marketing. If a sound plan can be developed to do this service for grain farmers, nothing can stop such a system in the long run."

Farm Loan System Assailed

Farm and Fireside for May says in an editorial: "The Federal Farm Loan System was created to make available to the farmers of this country the cash borrowing power of their eighty billion dollars' worth of land, stock, buildings, and equipment. The intent of the organizers of the system, clearly written into the original law, was to turn the system of land banks over to the farmers as soon as it was soundly established. That has never been done. Instead, the Farm Loan System has been made a political tool, a bureaucratic, paternalistic Government machine, a viciously distorted caricature of what it was originally intended to be. It is all right for

Government to help establish banks. It is all wrong for Government to operate banks. The Federal Farm Loan System should be delivered into the hands of the agricultural interests it was built for -- just as the commercial and industrial banking system is in the hands of the commercial and industrial interests it was built for. And this is to serve notice that Farm and Fireside is in the fight to the finish to see that this is done. It will be a non-political, impersonal fight, and we will win it. ... "

Grain Futures Act

In an editorial on "What the Futures Act Does," Price Current-Grain Reporter for April 25 says: " ... The act will be executed by Chester E. Morrill, Assistant to the Secretary, through Rollin E. Smith, who for this purpose will be 'the Government,' passing his authority, as to Chicago, to Dr.Duvel. Just how the forthcoming 'rules and regulations' will intensify and make real what the law itself does not apparently contemplate of autocratic exercise of delegated authority, remains to be seen. The possibilities in that direction are great. The law as it reads, minus 'rules and regulations,' is innocuous, but with rules made by department law clerks steeped in the petty paternalism of the department to control the publication of information there is a chance for some real abuse of authority, particularly as to the circulation of legitimate news and expression of lawful opinions on market conditions, with obvious evil results, when so many unattached and irresponsible market dopesters are in the field. While one may not go so far as to anticipate with Mr.L.L.Winters that 'under bureaucratic control the prosperity of the grain exchanges and their members will be slowly strangled, to the great detriment of those who use the grain exchange facilities and to the detriment of the general public,' yet it is not difficult to see with him 'the present bureaucratic regime, like a huge octopus, reaching out its long tentacles and encircling one by one all branches of business enterprise to the suppression of individual initiative and the total destruction of the Nation's prosperity.'"

Section 3.

Department of Agriculture

A dispatch from Olympia to the N.W.Daily Produce News for April 23 says: "E.L.French, director of agriculture for the Washington State Department of Agriculture, has placed himself on record as very much opposed to the viewpoint of restricted agricultural production which Dr.W.J. Spillman, consulting specialist for the U.S. Department of Agriculture, is reported to have advocated in Yakima recently. 'Dr.Spillman is quoted as insisting that the trouble with the farmers is overproduction,' says French, 'and that they should proceed to limit their production -- in other words, take the I.W.W. point of view in their work. He is quoted as having said, among other things, "The Agricultural Department is of the opinion that overproduction is the thing that is now keeping agriculture back and for that reason is discouraging the cultivation of increased acreage. My department does not believe in the construction of proposed reclamation projects like the Columbia Basin project, and we feel that reclamation has been overdone!" The Federal expert adds: "I would not recommend the planting of apples in the Yakima Valley. Other agricultural products, such as row crops or livestock, would prove a better investment at this time." If these

are the views of the department, and if, as Dr.Spillman says, it has a program through which it will recommend to each community the maxium amount of acreage of each product which should be planted, then the Federal Department of Agriculture has degenerated into a serious menace to the country and eventually will bring it to a crisis which may profoundly and adversely affect the welfare of every one, the farmers included. ... '"

Section 4.

MARKET QUOTATIONS.

Farm Products

May 1: After small advance in wheat early, prices dropped sharply under liquidation and stop-loss selling. Main factors were absence of important support and weakness in New York stock and cotton markets. Export demand good. Corn affected by action of wheat and broke after small advance early but showed decided disposition to rally from set-back. Chicago May wheat lower at $1.20 1/4; Chicago May corn lower at 80 1/2¢.

Closing prices in Chicago cash market: No. 2 red winter wheat $1.29; No.2 hard winter wheat $1.22; No. 2 mixed corn 83¢; No.2 yellow corn 84¢; No.3 white oats 46¢. Average farm prices: No. 2 mixed corn in Central Iowa 70¢; No. 2 hard winter wheat in Central Kansas $1.05; No. 1 dark northern wheat in Central North Dakota $1.07.

Chicago hog prices opened strong to 10¢ higher, closed around steady with Monday's average, bulk of sales $7.75 to $8.25; beef steers steady to 15¢ lower at $8.00 to $9.75; butcher cows and heifers $4.65 to $9.75; feeder steers $5.75 to $8.40; light and medium weight veal calves $8.25 to $10.25; fat lambs $13.50 to $15.25.

South Carolina and Mississippi pointed type cabbage $3.50 to $5 per barrel crate. Texas Yellow Bermuda onions $2.50 to $3.50 per standard crate in city markets, $1.60 to $1.85 at shipping points. Georgia Porto Rican sweet potatoes $2 to $2.15 per bushel hamper in Minneapolis and St.Paul.

Spot cotton down 28 points, closing at 26.87¢ per lb. New York May future contracts down 32 points, closing at 27.30¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 1,	Apr. 30,	May 1, 1922
20 Industrials	97.40	98.38	93.64
20 R.R. stocks	84.91	84.86	84.34

(Wall St.Jour.,May 2.)

For Secretary's Office DAILY DIGEST May 3, 1923.

Section 1.

Forest Conservation Urged

A committee representing the American Paper and Pulp Association, the forestry committee of the National Forestry Program Committee and other organizations interested in the conservation of the wood and pulp supply of the Nation, was received by President Harding May 2. In the course of the conference the President was urged to have incorporated in next year's budget an appropriation of $2,000,000, to be applied to the conservation of forests at the headwaters of the rivers. The President, it was said, indicated that he was in sympathy with the arguments. (Press, May 3.)

Reforestation Hearings

A revised itinerary of the Senate committee investigating reforestation, issued May 2, shows the committee will leave Washington May 7 for Detroit, after which hearings will be held at Bay City, Mich., May 8; Grand Rapids, Mich., May 9; Chicago, May 10; Madison, Wis., May 11, and Duluth, Minn., May 12. No provision is made for committee procedure after the Duluth hearing. (Press, May 3.)

Reparations Proposals

Germany in an identical note delivered yesterday to the Entente Powers and the United States proposes a settlement of the reparations problem on the following basis: 1. Fixation of the total German obligation, cash and kind, under the Versailles Treaty, at 30,000,000,000 gold marks, roughly $7,500,000,000. The entire amount is to be paid by July 1, 1931, credit being allowed for payments in cash and kind already made. 2. Cash payments to be made from funds obtained through bond issues in the international money market. 3. Industrial guarantees to be given for payments in cash and kind. 4. In case Entente Powers refuse to accept 30,000,000,000 gold marks as the maximum Germany can pay, Berlin asks that the whole reparations question be left to an international commission as suggested by Secretary Hughes. 5. National security as between France and Germany to be attained by an agreement to submit any future conflicts to arbitration or other reconciliatory processes. (Press, May 3.)

Farm Help in Kansas

Inquiries made to the labor division of the Kansas Industrial Court indicate that farmers, especially wheat growers, are concerned as to this year's prospect for harvest help and the wages to be paid. Judge Crawford of the Industrial Court estimates that 30,000 men from outside the State will be needed. (Press, May 3.)

Senator Brookhart to Study Foreign Cooperatives

According to the press to-day, Senator Brookhart left for Europe May 2 to investigate cooperative plans of farmers and workers in Europe. He will attend congresses of European cooperative societies as a representative of American organizations.

Section 2.

Agriculture

Richard Spillane says in Commerce and Finance for May 2: "With the exception of cotton it is more than likely that all the major crops of the United States will be reduced in volume this year. How can it be otherwise with the drift from the farm the greatest in the history of the Nation and the monetary reward of the agriculturist less on an average than that of a messenger boy in New York? If you accept the figures of the Department of Agriculture 14 per cent of our farmers failed to 'break even' last year, and the profits of the remainder averaged $917 for the 12 months. The messenger boys of the Western Union Telegraph Co. in New York average $18 a week -- $936 a year. The farmer has an investment in his land, his buildings, his stock and his farm utensils. The messenger boy has none. The steel makers are working to capacity. Road building is greater in extent than in many years. The automobile people are turning out cars as never before. Employment in industrial centers is full. But the farm -- the base of all industry -- is unsound. How long can the steel people, the road builders, the automobile makers and the others keep up this pace if the farm is losing population and the farmer is not getting a living wage? A road builder tells us that one of the big steel companies has crews of labor scouts traveling over the country offering higher wages to workers on road gangs, farms, lumber mills, etc., than the men can get at their regular tasks. He tells of entire forces being lured away by these labor agents, and quotes an officer of a great bonding corporation as saying that every contractor on road operations in one State is facing losses on his work owing to departure of workers or the higher wages he must pay to retain his men. Can we maintain the present high rates of industrial activity and let the farm decline? We cannot. That is as certain as anything can be. It is idle to ignore the fact. The farmer cannot purchase the goods of the manufacturers in normal quantity unless he has a reasonable profit. The farm makes up too large a proportion of the population and of the purchasing power of the Nation to suffer loss without all other departments of industry being affected. The farmer in the last three years has not had a living wage, and yet general industry is at a high stage of activity and profit to-day. This condition, it would seem, cannot be long maintained. The quicker it is corrected the better. To ignore it is folly."

Commission House Bonds

The National Stockman and Farmer (Pennsylvania edition) for April 28 says in an editorial: "We cannot conceive any sound argument against bonding commission houses so as to protect consignors, since the bonds are not dependent on the financial rating of the commission men but are based on their integrity. Any commission firm of known integrity can secure an adequate bond at comparatively little cost; and it is good business to secure it. On some markets all commission houses which are members of the livestock exchange are bonded, among these markets Chicago, Kansas City, Denver, Omaha and St.Paul, each the principal market in its territory."

Cooperative Marketing

1. The Weekly Kansas City Star for April 25 says in an editorial: "A member of an unsuccessful milk producers' pool, in commenting recently on the cause of failure of his cooperative concern, said: 'We unfortunately selected a man who, though he might make a good farm hand, proved a complete and pitiful failure as the sales manager of a large corporation.' It is for this reason as well as many

others that farmers' cooperative enterprises should develop from the ground up and not from the top down. They are on safest ground when they expand only as they increase in successful experience and as their managers show ability to extend the business safely."

Cooperative Marketing

2. "Where Do the Colleges Stand?" is the title of an editorial in The (St.Paul) Farmer for April 28, which says: "With farmers everywhere crying out for information about cooperative marketing and asking for assistance in developing sound cooperative associations, the question naturally arises as to just where the U. S. Department of Agriculture and the various State agricultural colleges stand on this question. With a great demand for information and calls for assistance, as we can prove by the mail coming to the office of The Farmer every day, do these institutions propose to hold themselves aloof from a movement that is in nearly every farmer's mind? In like manner, where do the State Departments of Agriculture and State marketing officials stand on this question? The U.S. Department of Agriculture has not thus far stated its position with reference to the commodity cooperative marketing association, other than to show a friendly interest in the movement. In a number of the States, agricultural college authorities have either openly or under cover fought the system, apparently because of unfriendliness toward Aaron Sapiro, without whom the system could not possibly have grown to its present proportions. In other States the Department of Agriculture and marketing officials have also opposed the system, either through jealousy of a movement which dwarfs State marketing plans, or through unfriendliness toward cooperative leaders. It is with great pleasure that we note the prompt acceptance of the soundness of the cooperative marketing movement by the Minnesota Agricultural College authorities. Dean Coffey and Extension Director Peck have lent all possible assistance to the movement. With regret we cannot say the same thing for the State Department of Agriculture, which apparently believes its own marketing plans to be self-sufficient in spite of redorded failures. We pass this suggestion along to Iowa, Wisconsin, North and South Dakota farmers who are interested in this movement. Farmers have a right to a fair and square answer to the following questions: Is the cooperative marketing system on the commodity basis, as practiced in the West and South, sound and can it be applied to our crops? If so, does the movement deserve the support of all the friends of agriculture? If not, why not?"

Farm Income

H.J. Waters, in an editorial in the Weekly Kansas City Star for April 25 says: "In a study of the sources of the living of farm families made by the Department of Agriculture a few months ago, it was ascertained 60 per cent of the living of the average family came from the farm and 40 per cent was purchased. Assuming that half of the living of the family came from the farm, the living cost from all sources in 1922, according to the survey, was $588. It is claimed that the city workingman's family cannot live on less than from $1,500 to $2,000 a year. Be that as it may, the family of average size that is buying half its living on the present day market, and has a cash outlay for living of only $294, is not living comfortably, nor even decently. When we add to this standard of living the fact that farm women and children must work most of the time and have little leisure and few opportunities for recreation,

we wonder at the willingness of the farmer to endure with patience such a condition. The solution of the problem is not, however, in running away from it. ... Last year while 2,000,000 persons left the farm to go to town there was a backwash of 880,000 persons who had found the city an unsatisfactory place in which to make a living and were returning to the farm to find opportunities which the city did not afford. ... Farming is no exception to the rules of business. The same qualities that achieve success in the city bring adequate rewards in the country."

Farm Profits

The Daily Drovers Journal-Stockman for April 25 says in an editorial: "'The only real money that I ever made on the farm was when I sold my place near Ottawa, Ill., for $365 per acre over a purchase price of $65,' said a retired farmer of that town.'Let others make a living on the place; my foresight netted me $103,675 after a good living for more than twenty years.' ... That a land in which the unearned increment is no longer possible may prosper through agriculture is proved by the modern history of Denmark. Seventy years ago found the little, fog-girt country almost bankrupt. The Danes drained their marshes, uprooted useless forests, saved unnecessary road space, put in wire fences, improved their livestock, devised a true cooperative marketing system and succeeded in abolishing poverty. Denmark to-day produces more per acre than any other country. What Denmark was forced to do the remainder of the world must eventually come to. The time is at hand in the real farming sections of the United States when money must be earned out of the land."

Farm Wages

The Davenport Democrat for April 25 says in an editorial: "Few people, it would seem, would want wages to come down, but if they do not, it would appear inevitable that prices of foodstuffs must go up. Until they do, the farmer cannot pay the price needed to run his farm at capacity. Word to this effect comes in from the county agents as they go out among the farmers and find them 'getting along as best they can' until labor prices and the price of farm products strike a better balance." ... A Jackson township, Iowa, farmer is quoted as saying: ' I could make this farm produce twice as much food as it does if it would pay me to work it to the limit. We cannot afford to pay help the wages that the men can get in any other industry, so we do what we can and get along with as little expense as possible.' ... Here is a large food plant that could be made to produce much more if conditions would warrant it, comments the county agent. The Jackson township farmer operates his plant in a manner that keeps things going until a time when either he can hire plenty of help at wages that are in line with the price on his products, or until the price of grain and livestock is high enough for him to compete with other industries in the price of labor. In the meantime the world is short what his farm and thousands of other farms could produce, if run at capacity, but are not producing as they are operated now."

Warehouse Bill

The Dakota Farmer for April 15 states that the recent session of the South Dakota legislature passed a farm storage warehouse bill, under which a farmer, through legal machinery set up in each county, can have his granary become a warehouse and a warehouse certificate issued on its contents.

Section 3.

Department of Agriculture

1. The New England Homestead for April 28 says in an editorial: "Some of the city newspapers are really stepping on themselves in their effort to interpret the recent Department of Agriculture bulletin on decrease in farm population. The condition is bad enough; but it is wide of the mark to count in millions actual loss of actual farm workers. Here is the situation: The movement from farms to the big towns and cities is estimated about two million persons last year, partly offsetting a reverse movement of 880,000 persons from cities and towns to farms. Note that these are not only workers, but also women, children and infants in arms, and many adults who are not workers."

2. Commenting on a department release reporting the number of persons having left the farms, Hoard's Dairyman for April 27 says in an editorial: "There is nothing fundamentally wrong with the Nation that has people intelligent enough to swing from one industry to another when they find themselves engaged in one which is unprofitable. It is through this swing that proper adjustments are made, and the only danger is that too many are likely to leave the farm. The time is likely to come when it will be found that farming will be more profitable than working in the shop or factory. Then fewer people will leave the farm and some will return to it."

3. The Indianapolis Commercial for April 30 says in an editorial: "An incident which tends to discouragement and almost to demoralization -- one of those little straws which appear to break the camel's back -- is the placing in windows, for advertising purposes, of a picture representing the U.S. Department of Agriculture at work, making a background of a farm scene, on canvas, at Washington, to be shown as part of the Government exhibit at the National Dairy Show, at Syracuse, N.Y., this fall. ... The heartbreaking part of it is that tax paying time is only a week off in Indiana and part of the funds paid by every poor widow and rich corporation is for use in making this plaything by a great paternalistic Government, by a bureau and by people who could be employed for some useful purpose elsewhere. ... The Department of Agriculture has done good in the past, in many ways. It has not, however, been a success as a connoisseur of paintings. When it attempts to excuse itself that such is necessary, it thereby insults the intelligent farmer of the Middle West, for he needs no pictures painted in Washington, at Government expense, of horizons and hill farms to convince him of the usefulness of some implement sold by individuals. ... A national dairy exhibition may be all right in its place but the Government has no business spending money painting pictures for it. Indeed, it is a very grave question whether the Government should enter it at all. Only the word expediency tells why it continues."

Industrials and Railroads

Average closing price	May 2,	May 1,	May 2, 1922
20 Industrials	98.05	97.40	93.81
20 R.R. stocks	85.29	84.91	84.44

(Wall St.Jour., May 3.)

Section 4.
MARKET QUOTATIONS.

Farm Products

May 2: Wheat market unsettled on the 2d with rapid fluctuations. Corn advanced sharply after early break and closed higher. Strong cash situation was main bullish influence. Chicago May wheat lower at $1.20 1/4; Chicago May corn higher at 81 7/8¢.

Closing prices in Chicago cash market: No. 2 red winter wheat $1.28; No. 2 hard winter wheat $1.21; No. 2 mixed corn 83¢; No. 2 yellow corn 84¢; No. 3 white oats 45¢. Average farm prices: No. 2 mixed corn in Central Iowa 70¢; No. 2 hard winter wheat in Central Kansas $1.05; No. 1 dark northern wheat in Central North Dakota $1.06.

Chicago hog prices fully steady with Tuesday's average, bulk of sales $7.75 to $8.25; beef steers strong to 15¢ higher at $8.10 to $9.80; butcher cows and heifers $4.65 to $9.75; feeder steers $6.25 to $8.50; light and medium weight veal calves $8.50 to $10.25; fat lambs $13.75 to $15.25.

Florida Spaulding Rose potatoes sell at $7.50 to $9.50 per barrel consuming centers, $7 at shipping points, Texas Yellow Bermuda onions $2.50 to $3.50 per standard crate, ordinary stock $2 to $2.50 in leading markets. Louisiana Klondike strawberries $3.50 to $4 per 24-pint crate in city markets. South Carolina Wakefield cabbage ranged $3 to $4.50 per barrel crate reaching $5 to $5.25 in Boston. Alabama Flat Dutch $4 to $4.75 Midwestern markets.

Closing prices, 92 score butter: New York 43 1/2¢; Philadelphia 43 1/2¢; Boston 43 1/2¢; Chicago 41 1/2¢.

Spot cotton up 24 points, closing at 27.11¢ per lb. New York May future contracts up 45 points, closing at 27.75¢. (Prepared by Bur. of Agric. Econ.)

Section 1.

Grain Decision Reversed

The Philadelphia Ledger to-day says: "Decision was reversed May 3 by the Federal Trade Commission in its complaint against the Minneapolis Chamber of Commerce charging unfair competition in the handling of grain. The complaint charged that the chamber harassed and attempted to destroy the Equity Cooperative Exchange and the St.Paul Grain Exchange by false statements. Attorneys for the chamber denied the allegations and argued that if the commission's complaint were upheld it would find itself at odds with the Department of Agriculture, which administers the grain futures act, under which the chamber operated."

Farm Committee for Maryland

A Baltimore dispatch to the press of May 3 says: "To advance agriculture and allied interests in Maryland, Governor Ritchie May 2 named a State-wide committee to draft a definite program, as requested in a resolution adopted by the conference on agriculture called by the Governor at Annapolis last January. It was announced that the first meeting of the committee will be held May 15, in Baltimore, at which time the Governor will outline the committee's purposes and ask for immediate organization and beginning of work on an agricultural program."

Agriculture

"Farming Looks Up" is the title of an editorial in The New York Times to-day,which says: "To those who are forever preaching that 'there is no money in farming' two recent financial items may be commended. One is that more than 27,000 Fordson tractors were sold during the first quarter of 1923, or three times the number sold in the corresponding period last year. The other is that the sales of one of the biggest mail order houses, which does most of its business with farmers, was nearly 40 per cent greater during the first four months of this year than of last. This indicates a revival of farm prosperity. There were, of course, dark years following the war; 1920 and 1921 were particularly hard, for the reason that the farmer is nearly always more heavily hit than others in a depression. For him to curtail his production in time, without a tremendous loss, is always difficult. As much of the labor is done by the farmer and his family, he cannot cut labor costs at will. More often than not he cannot even store his produce, which had been planted in hopes of a good market and which by harvest time was salable only at a great sacrifice. Farming as a whole, however, is generally more prosperous now than it was a quarter of a century ago. The introduction of improved methods and the substitution of skill and science for the old rule of thumb have done much to increase output without increasing production charges correspondingly. ... The lean and the fat years hit the farmer heavily. But his life is not, as pessimists would have us feel, one of perpetual poverty and distress. Nor is it, on the other hand, like the idyllic conception of the city dweller, who thinks of it in terms of perpetual sunshine, fresh vegetables and milk. It is steadily improving, however, despite migrations to the cities. The yield per acre of cultivated land to-day is much greater in Connecticut and Massachusetts and near the big cities than it is on the rich prairie lands of the Middle West. The teachings in our agricultural colleges and the work of the Department of Agriculture and the State farm bureaus are doing much to spread a knowledge of scientific farming and thus show that it is possible to cut the cost of production. Herein lies the secret of future farm prosperity."

Section 2.

Agriculture in Canada

C.R. Fay, of the University of Toronto, says in an article on immigrant agriculturists in Western Canada, in The Irish Economist for April: " ... Do not let us rush to the other extreme and pretend that farming experience is no good, just because a few tenant farmers have come over with money for their health's sake and failed to adapt themselves to their environment. In B.C. some of the ablest fruit men are market gardeners from the old country, just as some of the best grain-growers on the prairies are from North Dakota (their fathers as often as not having come from Ontario) Above all, I would say to Canadians: Do not advertise in the old country for 'farm laborers and domestic servants only.' Canada is far too great a country for that narrow and ill-paired appeal. And, likewise, do not talk as though Canada, by absorbing millions of unemployed from the industrial centers of Great Britain and Ireland, was going to pay off the national debt or the deficit on the Canadian National Railways. But rather tell us to come over and win your prizes. Show us, write to us, go back and tell us what you Canadians of old country stock have done in Canada. There is to be a great Colonial Exhibition in London in a year or so. How I should like to see an exhibit by the soldier settlers just to show what the boys can do!"

Cattle Shipments Abroad

A London report to the Modern Miller for April 28, telling of the first shipment of Canadian cattle arriving in England this week after an embargo of about 30 years, says: "This is a business that is sure to grow, and the Canadian Government seems fully alive to the prospects available on these markets. As it stands now, no less than 1,250,000 head of cattle come into the United Kingdom in a chilled or frozen state, and it is hoped to displace the chilled beef trade by sending live cattle which, after being put on pasture in this country, will produce a very high class of beef."

Cooperative Marketing Abroad

The Irish Economist, "A Quarterly Journal of Cooperative Thought and Progress," edited by the Librarian of Plunkett House, Dublin, devotes its April issue largely to a review of cooperative movements in various countries. The initial article, entitled "Goin' to the Fair," by Paul Gregan, says in part: "'Goin' to the Fair' in the old way may have had elements of poetry and romance and adventure which had their allurement; but, if we intend to keep our markets we shall be compelled to adopt more up-to-date and business-like methods of marketing. As a nation of agricultural producers we shall be compelled to cooperate fully; we cannot stop at cooperation for the purchase of our requirements or the manufacture of our butter and bacon, the slaughter of our cattle and the grading of our eggs. We shall have to cooperate for the sale of our produce. Society must join with society to found the selling wholesales which will handle the large bulk -- the joint products of the creameries or the bacon factories or the egg societies. If our cooperative societies are to live, they must sell federally. It is the inevitable way of evolution. Those who oppose it will do so from merely selfish motives or from wrong judgment. We cannot afford to have our Irish cooperative producers competing against each other on the British markets. It is quite true that federal sale has been tried before in Ireland and has not succeeded; but that does not disprove the rightness of the principle. The logic

of the situation is clear; the case for cooperation for sale is unanswerable. It is the right thing to have, and no previous failures should deter us from insisting upon it as a fundamental portion of our future program. We cannot have it too soon. Instead of some hundreds of creameries selling our cooperative butter we should have one federation doing so; another organization should market the eggs of all cooperative societies. Our dead meat societies should have a central selling body; the grain of the country brought into the societies by the farmers should be collectively marketed by a federation started for the purpose. ... We cannot stop halfway in the cooperative race. If we cooperate to produce and fail to cooperate to sell, we lose half the benefit of our efforts and tend to lose the power to continue those efforts. Why should we cooperate to make business for the non-cooperator, for the exponent of the system of trading and political economy which is the antithesis of ours? Our farmers need to take this matter really to heart and see that their business is done as it should be. Cooperative goods should be sold cooperatively, or they help in defeating cooperation."

An article on "Agricultural Cooperation in India," by P.P.Pillai, says: "I shall now show how agricultural cooperation is bringing about 'better farming' in India, and shall first deal with the services cooperative societies are rendering in popularizing 'scientific agriculture' and in bringing to the people in the fields the results of researches performed in laboratories and experiment stations. The experiments conducted at Pusa and in the various agricultural colleges in India would have been of little practical use if there were not in existence convenient associations of cultivators through whom the results gained by their work may be introduced in the agriculture of the provinces. In his note on agriculture in Japan, Sir F.A.Nicholson says: 'It is impossible for a government to influence individually millions of petty peasants; they are individually too isolated, too suspicious, too shy to accept new ideas, to undertake experiments in new methods; similarly they are too poor, too powerless to produce the best products to get the better of the middleman and the best of the markets. There must be some organization which enables government to act upon a body of men at once, and so serve as intermediary between the government and the individual; an organization which can be advised, educated, reasoned with and listened to, which will, through its better educated or bolder members, provide intelligence to absorb new ideas, find courage and funds to attempt new methods, and combine both for the improvement of products and for the better sale of the same.' Such organizations have been provided by the cooperative movement, and now form an integral part of the new system of agriculture.'"

Cotton in British Empire

"Cotton Growing Within the British Empire" is the title of a statement in The Annalist for April 30, which says in part: " ... The boll weevil has brought untold trouble and expense on the American cotton growers and all concerned, but it has very effectually aroused the British textile manufacturer to a real sense of his danger. Indeed, it may be said that the best thing that can happen from a British Empire cotton grower's point of view is that the pest will continue his ravages and so restrict production, thereby helping materially to maintain prices at a fairly high level. It depends entirely upon the price factor for the next few years whether British

Empire growers can produce cotton at a remunerative figure, and, as a consequence, whether the movement to produce within the Empire will become permanent or dwindle away. Professor Todd, who is one of the most trustworthy guides on this difficult question, thinks that the prospective supply of the raw material to-day is worse rather than better than it was before the war. ... Cotton growing is being taken up with enthusiasm in many parts of the Empire, and so far with reasonable prospects of success. Under ordinary conditions cotton can be grown to advantage only when labor is plentiful and cheap; but with the existing high prices for the commodity it can be successfully grown even in districts less favorable. Reports so far are favorable from Australasia, the Transvaal, Swaziland, Zululand and some other parts of the Empire. Some of the Australian States are particularly keen on the new venture. There they are endeavoring to combine cotton growing with a system of settlement for new immigrants, forgetting that it is an industry needing considerable skill, capital, and above all, cheap labor, which is just the very thing Australia has not got. The Commonwealth Government has agreed to guarantee to Queensland growers 5 1/2d. per pound for all seed cotton delivered at the nearest port or railroad station to the ginnery. Optimists put this season's yield of seed cotton at from 7,000,000 to 9,000,000 pounds, the latter figure being ten times the crop of 1921 -- while in 1923 estimates of the area to be cultivated range from 50,000 to 75,000 acres. ... There are certainly great possibilities before this new departure. The new schemes are apparently based on the idea of white settlers on comparatively small farms working on a rotation of crops in which cotton would only form a relatively small part, so that the settler and his family, with such outside assistance as might be available, could reasonably hope to deal with the picking of the crop. There seems to be a great deal of uncertainty about this plan, but it is thought it may succeed if a sufficiently remunerative price can be obtained. The Australian Government has realized this fact by guaranteeing a price of 5 1/2d. per pound for seed cotton, equal to 18d. for the lint cotton delivered at Liverpool."

Section 3.

Department of Agriculture

The National Livestock Reporter for April 25 says in an editorial: "When the initial report of the Government on prospective feeding operations was put forth last year the Daily National Live Stock Reporter called attention to the fact that the figures were apt to be misleading unless properly qualified for the reason that the proportion of 'fed beeves' to the 'total receipts' at all markets was comparatively small. Such has proved to be the case. With an official report indicating an apparent increase of 27 per cent in feeding operations forthe surplus feeding districts of the country, the trade, including producers and killers, cannot help but infer a real heavy increase in cattle receipts during succeeding months. As shown by the Government's own figures the 67 chief markets of the country, however, showed only a 3 per cent gain in receipts for the quarter following the publication of the Government feeding forecast of a 27 per cent increase in 'feeding operations.' We repeat our suggestion of last year, that is, the authorities , when disseminating such information, should make it clear beyond all

question of doubt that 'fed' cattle marketings and 'general cattle receipts' are two different and distinct propositions. Continued reports on feeding such as have been issued will eventually lead to the discredit of the Government figures unless they are clarified. The Government should if possible ascertain the actual proportion of 'fed' stuff reaching the markets and base its percentage of increases and decreases on that rather than follow the meaningless method employed to date."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 3: Wheat trade light with local sentiment bearish. Continued improvement shown in reports from winter wheat section of West and Southwest. Corn narrow and nervous within small range. Closing prices in Chicago cash market: No. 2 red winter wheat $1.28; No.2 hard winter wheat $1.21; No.2 mixed corn 83¢; No. 2 yellow corn 83¢; No.3 white oats 46¢. Average farm prices: No. 2 mixed corn in Central Iowa 70¢; No. 2 hard winter wheat in Central Kansas $1.05; No. 1 dark northern wheat in Central North Dakota $1.05.

South Carolina Wakefield cabbage mostly $3 to $3.75 per barrel crate in city markets; $4.25 to $4.65 in Pittsburgh. New York sacked Round White potatoes, $1.60 to $2 per 100 lbs. Maine Green Mountains $2.35 to $2.40. Northern Round Whites $1 to $1.10 in Chicago carlot markets; $1.25 to $1.85 most other markets; 95¢ to $1.05 at shipping points. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in leading cities; $1.55 to $1.75 in producing sections. Louisiana Klondike strawbetries $2.08 to $2.75 per 24-pint cnate at shipping points; $3.50 to $4.25 in most consuming centers; 28¢ to 30¢ quart basis in New York. North Carolina Klondikes 25¢ to 32¢ quart basis in eastern cities. New York Baldwin apples reach season(s high point at $6 to $7.50 per barrel. Northwestern Extra Fancy Winesaps $2.50 to $3.50 per box in leading markets.

Hogs opened slow on light weights, mostly 10 to 15¢ lower than Wednesday's average. Veal calves steady to 25¢ lower; stockers and feeders strong; sheep and lambs steady to strong. Hogs, bulk of sales, $7.70 to $8.15; medium and good beef steers $8.10 to $9.70; light and medium weight veal calves $8.25 to $10.25; yearlings $10 to $13.75. Prices good grade meats: Beef $13.50 to $14.50; veal $11 to $16; light pork loins $16.50 to $19; heavy loins $12 to $15.

Spot cotton prices declined 60 points, closing at 26.51¢ per lb. New York May future contracts declined 82 points, closing at 26.93¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 3,	May 2,	May 2, 1922
20 Industrials	96.30	98.05	93.18
20 R.R. stocks	84.22	84.79	84.40

(Wall St.Jour., May 4.)

Section 1.

Cotton Payments

A dispatch from Raleigh, N.C., to the press to-day says: "Checks for a third advance on cotton delivered to the North Carolina Cotton Growers' Association will be sent out Monday, totaling about $3,000,000 and distributed to 30,000 growers, at a price of nineteen cents a pound, basis middling."

President Bradfute, of A.F.B.F., to Speak on May 10

The Chamber of Commerce of the United States announces that at its eleventh annual neeting in New York, May 8-10, President Bradfute of the A.F.B.F. will speak on May 10 on "The Farmers' Interest in Transportation."

To-day's Economic Problem

Bernard Baruch is the author of an article in to-day's Philadelphia Ledger, which says in part: "The United States does not, as many observers aver, need a new suit of clothes. What it needs is a letting out of the old one. We have outgrown our industrial garments in the great expansion of the last three decades, but the basic material of which they are made is better than any which can be obtained anywhere in the world to-day. Retaining this fabric, which remains as good as it ever was, we need only go to the best factories or facilities there are: The processes of the Constitution and the common sense and genius of the American people. For a great many years the population of this Nation and the needs of that population expanded no faster than the facilities on which they subsisted. But the nineties of the last century saw the beginning of that time, now in its most intense era, in which we have wholly outgrown our facilities -- the suit of clothes mentioned above. The problem of daily life in a nation, of course, is to maintain the flow of labor, capital and product. Upon the orderly progress of these three, interchanging with one another, normal existence depends. The raw material must come regularly to the manufacturing plant; the manufactured article must move regularly into the market; the capital to accomplish this must proceed on an established system; and, filling in the threads of this great human pattern, labor must easily and methodically follow the movements of the shuttle. The United States has come to a point where the demand is greater, not than the supply of these indispensables, but of the facilities to distribute them. Our methods have kept pace with our progress, and so has our financing. But our facilities are bogging down in greater and greater congestion, and that is the chief economic problem in this country to-day. ... If our great industrial, business and art centers are to remain and grow; if our farm population is to stay on the farm and raise the food necessary to support itself and the rest of the world, more thought and foresight must be devoted to the ordinary facilities required for their work. The American people do not object so much to paying for better service as they do to paying something for no service. The trouble may be that the human race has grown faster than it is able to take care of itself under the better standards of living, or it may be that we have expanded beyond our ability to handle ourselves at all. To solve the problem two opposing courses have been brought forward. One school of reasoners asserts that the Government should take over the railroads, the traction lines, the telephone and the telegraph and all other forms of human intercourse. The other contends that less Government activity in business will enable private persons in control of our facilities to work out the problem themselves."

Section 2.

Agricultural Relief in Britain

The British Farmer and Journal of Agriculture for April 21 reports a recent address of Sir Robert A. Sanders, British Minister of Agriculture, outlining measures of relief for agriculture which his Government will ask Parliament to sanction, as follows: "Sir Robert Sanders said the reasons money was being lost on arable farming were that last year's world supply of wheat exceeded the effective demand by 37,000,000 cwt. (a fact which had to be remembered when it was suggested that bounties should be paid on the production of wheat), the glut of potatoes, due to a prolific harvest more than to foreign imports, which only amounted to 4 per cent of the home crop; and to the low price obtained for barley, partly due to the decreased consumption of beer. America was sending her barley crops over to this country to be turned into the liquid sustenances of beer and whiskey. The Government was now considering the question of a tax upon malting barley. Stock farmers were not doing so badly, but the experience of the past was that after arable farming had been in a bad way stock farming generally followed suit. Taking the industry as a whole, the sales for consumption last year, amounting to 260,000,000 pounds as compared with 150,000,000 pounds in 1908, were almost exactly equal having regard to the fact that prices were now 77 per cent above prewar figures. ... "

Agriculture

The Field Illustrated for May says in an editorial: "Most everybody not otherwise occupied is engaged in helping the farmer. A perusal of the Congressional Record might lead the uninformed to believe that the hardy tiller of the soil was really in a bad way and would have to be pulled out by the boot straps. But, getting down to brass tacks, just what is the matter with the farmer? We have always pictured him as a he-man, independent, sober and industrious -- and well able to take care of himself. He may be a poor business man, but certainly he is no worse off in this respect than the average run of human beings in our big cities who manage to mask their limitations in a mantle of so-called urbanity. ... We have seen city folk destitute and suffering. We have never seen poverty or want on the farm. And statistics disclose the illuminating fact that failures on farms by actual farmers are far fewer than failures in industrial and commercial enterprises. The farmer is close to the soil. His business is to produce wealth. He supplies us with the things which we eat and wear. He's entitled to his share of the profit. That he has often failed to get all that he deserved is due, very largely, to the peculiarities of our economic growth. The soil, the source of all wealth, first laid claim to attention by our pioneer ancestors. Our resources in farm land were, then as now, tremendous. We have always produced more than enough. It would be unreasonable to expect that the producer would develop business acumen and scientific skill in farming, in such circumstances. There was no incentive. Conditions are now rapidly changing. Our complex modern life, the variety of uses made of our food supply, the demand for standardization, and the opening up of foreign markets, are changing agricultural methods, and making farming more the work of the specialist. Farming, like every other business, has its ups and downs and, like every other business, its prosperity is subject to the well-known law of supply and demand. Success in farming is the result of labor plus brains --

the survival of the fittest. The farmer does not plow with platitudes. He is not an object of charity. He frequently needs long-term credits, and, with all its faults, the agricultural credits act may supply this need -- to farmers who are financially sound and good moral risks. Just because there are conspicuous examples of incompetency in every farming community there is no reason to believe that the average farmer is incompetent. Reports from the West indicate that he is better off to-day than he has been in a long time. He is buying and extending his farm operations. The chances are that, if he keeps down cost, he will enjoy a profitable year. In any event, short of a pestilence, he prefers to be let alone to work out his own salvation."

Cooperative Marketing

Hoard's Dairyman for April 27 says in an editorial: " ... We believe that before cooperative marketing can be a success we must do just what the Minnesota Cooperative Creameries' Association is attempting to do, namely, produce a uniform high quality dairy product. Besides this, the Minnesota Cooperative Creameries ship butter in carload lots which saves them in freight rates far more than the cost of sustaining their association, and it gives them the opportunity to employ men to assist the farmer in the production of quality products. ... The time may come when they are thoroughly organized and in position to manufacture a uniform high quality butter that it will be profitable to develop their own marketing machinery. Our present system of marketing butter is not expensive. In fact, it is rather efficiently done. Before the war the producer of butterfat received 78% of the consumer's dollar. We do not know of any farm product being marketed more efficiently than butter."

Cream Grading

The Field Illustrated for May says in an editorial: "Grading cream is urged by the U.S. Department of Agriculture as the 'first step in the standardization of the dairy industry.' Roy C. Potts, in charge of the Division of Dairy Products, states that 'argument should not be required to convince the farmer that his cream should be marketed on a grade basis... the practice of paying a flat price for all qualities offers no inducement for improvement and places a premium on poor quality or penalizes good quality.' The principle of this argument is sound; but we doubt very much whether the farmer is conscious of the limiting factors in his dairy business. Until he feels the necessity for grading his cows, and weeding out the star boarders, it will be difficult to interest him in grading his cream or in disposing of his milk or cream on a quality basis. The process of educating him to appreciate the higher utility value of the purebred over the scrub, of selecting animals for his dairy herd that will maintain a fair average of butter-fat production, is slow and fraught with difficulties. Progress has been made. Doubtless the time will come when dairy farmers will be readily amenable to laws and regulations that are made for their better welfare. But that time is not here, and, perhaps, it is too much to expect in the immediate future. Nevertheless, cream ought to be standardized. The distributor is, after all, the one whose business most needs to be regulated. He often imposes on both producer and consumer, by buying cheaply through organized control and by selling cream as cream when it is but a step removed from good, rich milk. The consumer, also, needs a liberal education in food values. He is sometimes victimized by market conditions which compel him to take what he can

get and be thankful for it. This is true of many suburban localities in metropolitan sections. But more often the consumer does not know good cream or milk from the inferior kind, and is not interested in finding out. His disinterest makes difficult the detection of fraud or the enforcement of the law. It is the housewife who will eventually solve the problem. She is intelligently interested and what's more to the point, she has a vote. A well-informed and wide-awake public can quickly correct many of the abuses which now obtain. Standardization is a step in the right direction. As Mr.Potts implies, it teaches people to think; it is educational. Cream standardization, if it can be made to serve practical needs, and actually protect both producer and consumer, may have the desired effect of compelling distributors to be mindful of the quality of their service. And certainly a standard product will help the producer of improved pedigreed dairy cattle. The source of the supply is to be found in his choice foundation stock."

Cotton

The Journal of Commerce for May 2 says in an editorial: "Once again a howl arises from the American Cotton Association that wicked speculators are at work to get the cotton grower by the throat. There is to be no increase in the acreage planted to cotton during the coming season despite the estimates made in certain quarters. Much wild talk is indulged in with regard to the depressed prices of the staple and the like. The coming crop will certainly be a relatively small one, etc., etc. It is not likely that the public will pay a great deal of attention to this sort of propaganda. If it were likely to do so the situation might be serious where now it is merely ridiculous. Whether the farmer will be influenced by the advice offered in many quarters with regard to the acreage to be planted in cotton is another question. He would be well advised to ignore such nonsense as completely as the dealer in cotton futures is likely to do."

Emigration in Britain

The British Farmer for April 21 says in an editorial on the rural exodus from Scotland: " ... The young people are looking in another direction, and many are responding to the call of the Colonies. So great has the stream of emigration become that farmers are expressing fears for the future of the industry, as the strong young workers are leaving these shores to seek opportunities in new lands. Large parties are leaving weekly for Canada, while representatives of Australian State Governments are busy interviewing likely candidates for developing agriculture in the Commonwealth. While various circumstances have combined to prepare the way for the present rush of emigration among agricultural workers, the main cause is the existing depression and the uncertainty of the outlook at home. To give some idea of the magnitude of the exodus it will be sufficient only to state that during the present week one thousand emigrants, in two parties, are leaving the Western Isles of Scotland for Canada, where they will be employed on the land -- one party in Alberta, the other in Ontario. It is most unfortunate that so many splendid men and women should find it necessary to leave the land of their fathers because the fruits of the soil which they have cultivated have not afforded the standard of comfort which their toil should have purchased."

Section 3.

Department of Agriculture

Chicago Dairy Produce for May 1 says in an editorial: "Undoubtedly the Bureau of Agricultural Economics will receive many suggestions fr m the trade in response to the publication of tentative standards for grading of eggs. Some of the provisions and conclusions in the department's statement are revolutionary."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 4: Wheat declined induced by further decline in stock market. Local sentiment bearish. Closing prices in Chicago cash market: No. 2 red winter wheat $1.30; No.2 hard winter wheat $1.21; No.2 mixed corn 83¢; No.2 yellow corn 84¢. No.3 white oats 46¢. Average farm prices: No.2 mixed corn in Central Iowa 67¢; No. 2 hard winter wheat in Central Kansas $1.05; No. 1 dark northern wheat in Central North Dakota $1.05.

Florida Spaulding Rose potatoes mostly $6.50 to $8 per barrel in city markets; higher in Chicago, Pittsburgh and Boston; $5.75 to $6 f.o.b. shipping points. New York sacked Round Whites $1.65 to $2 per 100 lbs. Maine Green Mountains $2.25 to $2.40. South Carolina Wakefield cabbage mostly $3 to $3.75 per barrel crate reaching $5.25 in Boston and $4.25 to $4.50 in Pittsburgh. Delaware and Maryland yellow sweet potatoes 65¢ to $1.25 per bushel hamper. New Jersey stock $1.50 to $2.25. Louisiana Klondike strawberries $3.25 to $4.25 per 24-pint crate in leading markets; $1.75 to $2.25 f.o.b. cash track at shipping points; 15¢ to 20¢ pint basis in Boston. North Carolina Klondikes 25¢ to 30¢ quart basis eastern cities; $4.50 to $7 per 32-quart crate wagonloads cash to growers. Texas Yellow Bermuda onions, $2.50 to $2.75 per standard crate in city markets; $1.55 to $1.75 at shipping points.

Beef steers and butcher cows and heifers steady to strong, spots shade higher; other classes steady. Desirable medium weight lambs strong, others slow. Chicago prices: Hogs, bulk of sales $7.65 to $8.15; medium and good beef steers $8.10 to $9.70; butcher cows and heifers $4.65 to $9.60; yearlings $10 to $13.75. Prices of good grade meats: Beef $13.50 to $15; veal $14 to $16; lamb $22 to $25; mutton $15 to $17; light pork loins $16.50 to $19; heavy loins $12.50 to $15.

Spot cotton prices declined 22 points, closing at 26.29¢ per lb. New York May future contracts declined 18 points, closing at 26.75¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 4,	May 3,	May 4, 1922
20 Industrials	96.60	96.30	93.18
20 R.R. stocks	83.27	84.22	84.68

(Wall St. Jour., May 4.)

For Secretary's Office DAILY DIGEST May 7, 1923.

Section 1.

Cunningham for Reserve Board

Edward H. Cunningham, of Iowa, was appointed by President Harding May 5 to be a member of the Federal Reserve Board.

The President also appointed Edward E. Jones, of Pennsylvania, to be a member of the Farm Loan Board. (Press, May 6.)

Treasury Surplus Indicated

Prediction of a Treasury surplus of $60,000,000 for the fiscal year ending June 30 was made May 5 by General Lord, Director of the Bureau of the Budget. When original estimates of receipts and expenditures were made by Treasury officials the statement was made that a deficit of as much as $700,000,000 might be faced. (Press, May 6.)

Farmers' Council Opposes Sugar Boycott

Demanding legislation to prevent profiteering in sugar and other food products and necessities of life, the Farmers' National Council May 5 issued a statement declaring that the boycott is not a practical method of dealing permanently with the sugar situation. (Press, May 6.)

Indians' Livestock

According to a tabulation made public May 5 by the Indian Office of the Department of the Interior, 1,658,856 head of livestock valued at $35,000,000, are possessed by Indians. The figures show that the Indians own 235,676 horses and mules, 227,060 head of cattle and 1,196,120 sheep.

British Weather Bureau Aims to Map Sky of Europe

A London dispatch to the New York Times of May 6 says: "An ambitious scheme to map the entire sky of Europe is being carried out under the direction of the British Weather Bureau. The bureau, as a preliminary to the larger undertaking, has already successfully mapped the sky of France. Professional weather observers, as well as amateur photographers, in all parts of the Continent are to be asked to assist. The work is intended to help the science of meteorology, the progress of which in recent years has been due in no little measure to the synoptic cards on which are reported simultaneous observations made atdifferent stations."

Public Lands to Soldiers

More than 678,000 acres of public lands have been thrown open for veterans of the World War in the last three weeks by the Department of the Interior and other thousands of acres soon will be added. In all instances the man who fought will have preference in the selection of the best acres of these great domains. He can deduct from the legal period of three years necessary to prove a homestead title the time he served with the colors. In other words, the man who fought two years can prove his title in twelve months. (Press, May 6.)

Section 2.

Agricultural Situation

The Nebraska Farm Journal for May 1 says in an editorial based on an address before the Nebraska legislature: "Other depressions have hit the American farmer. This is not the first time he has suffered from an inequality of market conditions -- of comparatively low prices for the things he has to sell and high prices for those he has to buy. But there seems to be this difference in the present situation: Commerce and industry in general have suffered along with the farmer at such times. And they all rose together to a normal level again, at least approximately so. But now we see commerce and industry in the large manufacturing and commercial centers thriving almost to the extent of the period of riotous living during and right after the close of the war, along with the farming industry. But now the latter still is far behind on the road to normal prosperity, and after three years of readjusting farmers are beginning to wonder whether this gap is to remain permanently. Conditions for them are better than they were but they still are far from the level enjoyed by the commercial and industrial world. ... "

Agriculture

The Field Illustrated for May says in an editorial: "Farming, an indispensable industry, seems always to have to bear the brunt of the burden of social unrest and it would seem as though the farmer, who is the producer, ought not to be penalized therefor. In commercial lines, when labor costs advance, the increase is added to the cost of production, but in farming, the producer has no such ready means of adjustment and either suffers loss in yield or in soil fertility. In this case he must sacrifice the latter and risk future losses. The only way out of the predicament is found in the hope expressed by Dr.Warren that 'farm wages and prices will soon come into adjustment with the general price level so that the improvement of the soils of New York farms will again proceed as it was doing before the war.' To which might be appended the hope that the time is not far distant when some of the waste in our deplorable marketing system will be eliminated, so that there will not be such a wide variation between the prices which the farmer gets for his crops and which the consumer pays when they are delivered at his door."

British Wheat Bonus

The London correspondent to the Price Current-Grain Reporter says in the issue for May 2: "Parliament is to debate the proposed wheat bonus to British wheat growers. But it is believed that the Government will be opposed to extending any State aid on the lines suggested. Half measures that will not go far in solving the present situation of wheat in Britain may be offered as a palliative. The Government proposes introducing a bill some time next year in which the matter of agricultural rates will be embodied. The Government will propose to pay a fixed contribution of 75% of the total agricultural rates which would result in increased State contribution to local agricultural rates of some $15,000,000. The proposal of the wheat growers here, who say wheat will go out of cultivation in Britain unless assistance is given them, is that the Government should grant a wheat bonus not exceeding 50 cents a bushel on home-grown cereal. By doing so, the wheat farmers say, the country would eventually be saved excessive prices for imported wheat, since if

Britain has to get all her wheat from abroad prices will be put up on her. Lord Rothermere, one of the big figures in political, social and industrial circles on this side, says something has got to be done swiftly or this country will cease to grow wheat, which would mean that the country would be entirely dependent for its principal food staple on countries overseas. ... The Government should concentrate on an effort to maintain a standard price for home-grown wheat of $1.75 a bushel, Lord Rothermere thinks. To this end the State should pay the bonus of 50¢ per bushel. The present price of homegrown wheat is around $1.37. ... "

Canadian Cattle Shipments Abroad

The British Farmer for April 21 says in an editorial: "To say that the resumption of the importation of Canadian cattle has left stock feeders disappointed is to put it mildly. At the first sale in Glasgow a week ago, of the 221 head offered, the majority were secured for immediate slaughter by cooperative societies and West of Scotland meat trading firms. This fact has increased the misgivings of many who, throughout the whole campaign for the removal of the embargo, considered the change against the best interests of the home stock breeder. The impression was generally left that the admission of Canadian 'stores' was to prove the salvation of home stock feeds. If the Canadian stock raisers intend sending further shipments with the same proportion of fat cattle ready for slaughter on arrival, home breeders have indeed grave cause for alarm. It was understood by many who supported the campaign for the removal of the embargo, that Canada wanted an outlet for her surplus store cattle. The public, too, were informed that the change in policy would mean a reduction in the price of meat, and the meat trade has made it clear that there is to be no reduction. If the imported cattle are to be of the same type as the first consignment to reach Glasgow, the public will have cause to ask why the promised reductions in the price of beef should be longer deferred. If prices of cattle for slaughter are to fall -- and one would naturally expect them to do so if large consignments of fat cattle are to be imported -- there is little encouragement for the home breeder or feeder."

Crop Reduction

The Rural New-Yorker for May 5 says in an editorial: "Tobacco growers of the earlier days tried to curtail production by law. They passed all sorts of laws. Some prohibited the growing of the crop; others demanded its destruction, but it was never possible to carry them out. There was always a large element among the growers who would not submit to discipline. They always grew more when they thought others would grow less. The trouble was finally ended by increasing consumption. Human nature has remained much the same for three centuries, and it is not likely to change in the future. Efforts to control the production of a general or popular crop by law or through ordinary organization are not likely to produce results. The best outlook lies in an increase of consumption, and this must usually be developed by the producers."

Farm Tool Sales

Agricultural implement manufacturers report larger sales than in the same period of last year. Prices have advanced approximately 10 to 15 per cent, due to increased cost of materials and labor. Deliveries are fairly prompt on nearly all descriptions, but in some instances scarcity of steel has held back deliveries.(Press, May 4.)

Foreign Markets

The Arizona Cattleman and Farmer for April 28 says in an editorial: "A strenuous campaign is now being made for the purpose of opening foreign markets to American agricultural products. It is doubtful whether this would be a very wise move just at this time. A movement to increase the purchasing power of the domestic consumer would do far more toward stabilizing the agricultural industry than if the foreign markets were opened to our American farmers. In the foreign market, the American farmer would have to compete with other foreign countries, and in order to compete successfully will have to sell much lower than the other foreign shippers. This low export price would react on the price for his products he will receive at home. It is a well known fact that the export price determines the domestic price, and the farmer would not be much better off in that respect. There is the other solution, however, an increasing domestic market. Our domestic market fell off very considerably during the past few years. And with this falling off of the domestic market there was a falling off of prices that the farmer received for his products."

Grain Futures Act

Capper's Weekly for May 5 says in an editorial: "The Supreme Court's decision upholding the legality of the anti-grain gambling law will have a wholesome effect on the grain business. The wheat grower will cease to be the legitimate prey of the gamblers' bear raids, May sqeezes and vicious short-selling on a huge scale at the hands of big manipulators who virtually control the market and use it to accomplish their ends. It will now be impossible for gamblers, who never held a bushel of wheat, to buy or sell paper promises in order to force wheat prices up or down and rake in their bets. At the same time, legitimate future trading will not be disturbed, the miller or elevator operator, or farmer cooperative association which wishes to hedge will have ample opportunity. Under Government supervision the actual business of the grain exchanges should go on as usual, only the vicious practices be eliminated."

Implement Prices

Farm Implement News for April 26 says in an editorial: "A larger demand than was anticipated for certain classes of farm implements has exhausted supplies of material purchased last summer and fall, which purchases were wisely made with caution and conservatism, and additional material needed for the production of such lines for this season's trade can be had only at advanced prices. ... The conditions are a source of anxiety to manufacturers, not so much because of the necessity of spotted advances for the trade of the current season, but of the possibility of an increase in the cost of production which will make it impossible to avoid a general advance affecting the whole line for next year. At the beginning of the year prices of farm products and prices of farm equipment were practically on a parity in that both were about the same percentage above prewar prices. ... The farmer's dollar is worth one hundred cents when applied to purchases of agricultural implements, and in view of his need for extensive replacements, without which crop production will be curtailed, continuation of this value is one of the country's most important needs."

Section 3.

Department of Agriculture

1. The Manufacturer's Record for May 3 says in an editorial: "A so-called committee of experts and business men, brought together by the U.S. Department of Agriculture, issued a report last week, undertaking -- in advance in many cases even of the plowing of the land -- to say what would be the average in cotton, spring wheat and other crops. That report and most of its conclusions were unwise and suspicious and when the personnel of the committee is studied the whole thing becomes extremely suspicious. It looks as though there was not simply one African in the wood pile but all of Africa. This committee, which consisted of men supposed to be able to express unbiased opinions, has as its members almost exclusively representatives of the packers, who are the chief buyers of the livestock; the heaviest buyers of cotton, and bankers, including the Federal Reserve System and big New York banks. The producers were not there. The men who understand the agricultural side were not there. If it had been the intention of whoever created that hitherto unknown committee to bear the price of farm products a finer selection of men for that purpose could hardly have been made. Is that the game which is thus being worked? ... "

2. The National Stockman and Farmer for May 5 says in an editorial on the report of areas to be planted: "Everybody who knows anything about the effect of prices on production expects a larger area of cotton this year. The Department of Agriculture has performed a service by ascertaining and reporting the extent of the increase. The only thing that need concern the department is to make its estimates as nearly accurate as possible. The public should not expect that such estimates can be so close to the truth as are estimates of yields, but they may be quite useful if carefully made and properly interpreted. Evidently the expectation of greater production is based on the department's recent estimate of acreage to be planted this year, which shows increases in the area of cotton, corn, oats, barley, flax and tobacco, decreases in wheat and potatoes. The economists recognize one factor which has not been given much prominence in the press, namely, the season. If it is favorable we may produce so much as 'to keep prices low', if unfavorable so little as 'to make them rise.' Since the committee is not made up of prophets it has done about all we could expect. ... "

3. Southwestern Stockman Farmer for April 30 says in an editorial: "For many months the Southwestern Stockman Farmer has noted with much concern the alarming tendency of the Department of Agriculture to cloud farm production and possible profits with an impenetrable smoke screen of gloom. There has been, and is now, ample reason for a frank discussion of fundamentals designed to put farming on the same financial plane as other industries -- but the farmer is frankly fed up with being classed as a social and financial pariah no matter what the ultimate purpose of such propaganda or publicity may be. The aims of the Department of Agriculture are honest and sincere and therefore cannot be questioned or censured, but the method employed in reaching this goal may be and is subject to constructive criticism. The functioning of the various bureaus of the Department of Agriculture, though financially handicapped by inadequate congressional appropriations, have been of incalculable value to every farmer who has overcome the natural prejudice against

the 'school farmer.' The Extension Service has won its way into widespread popularity against almost insurmountable obstacles, because of an unusually capable personnel and a constant tendency of its representatives to submerge self in a constructive effort for the individual unit of the farm bureaus. ... The county agent farm adviser has justly won his place and the Extension Service alone is justification for the current upkeep of the Department of Agriculture if there were no other reasons and there are many. ..."

Section 4.

MARKET QUOTATIONS.

Farm Products

May 5: Grain prices trended downward during the week and closed sharply lower. Chicago July wheat declined 4 5/8¢; Chicago July corn declined 2 3/8¢. Improved weather and crop conditions in winter wheat territory and Northwest, lack of support, liquidation in May future, and weakness in stock and cotton markets were main market features.

Chicago hop prices about steady with those of a week ago. Stocker and feeder shipments from 12 important markets during the week ending April 27 were: Cattle and calves 61,634; hogs 14,064; sheep 9,115.

Florida potatoes down 50¢ to $3 per barrel in leading eastern markets; steady Chicago; down $2 shipping points. Apples are higher. All other leading lines are selling at lower ranges.

Spot cotton prices declined 141 points during the week. New York May future contracts declined 148 points.

May 5: Wheat and corn higher early on scattered short covering and commission house buying but liquidation and free-selling developed in corn which uncovered numerous stop-loss orders resulting in 3¢ decline from early high, and wheat prices dropped in sympathy. Closing prices in Chicago cash market: No. 2 red winter wheat $1.29; No. 2 hard winter wheat $1.20; No. 2 mixed corn 80¢; No. 2 yellow corn 81¢; No. 3 white oats 46¢. Average farm prices: No. 2 mixed corn in Central Iowa 69 1/2¢; No. 1 dark northern wheat in Central North Dakota $1.04; No. 2 hard winter wheat in Central Kansas $1.04.

Hogs were steady to 10¢ higher, light weight hogs up most. Cattle and sheep about steady. Hogs, bulk of sales, $7.70 to $8.20; medium and good beef steers $8.10 to $9.70; butcher cows and heifers $4.65 to $9.60; feeder steers $6.25 to $8.50; yearlings $10 to $13.75. Prices good grade meats: Beef $13.50 to $15; veal $14 to $16; lamb $22 to $25; light pork loins $16.50 to $19.

Florida Spaulding Rose potatoes mostly $6.50 to $8.50 per barrel in city markets; $9 to $9.50 in Chicago; $5.50 f.o.b. shipping points. South Carolina Wakefield cabbage $2.50 to $4.75 per barrel crate. Alabama pointed stock $4 to $4.50. Louisiana Klondike strawberries $2.75 to $4 per 24-pint crate in consuming centers; $2.35 to $2.80 at shipping points. North Carolina Klondikes 28¢ to 45¢ quart basis in eastern markets; $4.50 to $7.05 per 32-quart crate wagonloads cash to growers. First car of Florida watermelons arrived in New York, May 3, containing Irish Gray melons which ranged in size from 16 to 35 pounds. The car sold for $1,400.

Spot cotton prices declined 5 points, closing at 26.24¢ per lb. New York May future contracts declined 10 points, closing at 26.65¢. (Prepared by Bur. of Agric. Econ.)

For Secretary's Office DAILY DIGEST May 8, 1923.

Section 1.

No Tariff Changes on Vegetable Oils

President Harding told a delegation from the South, which protested to him May 7 against opening of the vegetable oil schedule of the Fordney-McCumber tariff act, that under the flexible provisions of the law, he would modify rates "only on the most striking evidence of the necessity for such a change." (Press, May 8)

Armour-Morris Merger

A.D. Welton, Chicago correspondent of the Philadelphia Ledger, says to-day: "Hearing of the complaint brought by the Secretary of Agriculture under the packer and stockyards act against Armour & Co., which recently bought the physical assets of Morris & Co., is being continued in East St.Louis. At the hearing in Kansas City last week, the testimony introduced by the Government indicated that the opposition of the Secretary of Agriculture arises from his belief that Armour & Co., as enlarged, will exercise an undue control over the market in buying, if not in selling. ... The outcome of the case is considered by the big packers to be of vital importance. On the ultimate decision depends their future. Are they to be permitted to operate on a big scale for economy in cost of production and under supervision, or are these big concerns to be broken up? The former, students of business progress say, would be in harmony with American ideas and modern methods."

Sugar Dealers Win Point

The press to-day reports from New York: "The Federal Circuit Court of Appeals May 7 took under advisement the petition of the Federal Government for a temporary injunction to restrain the New York Coffee and Sugar Exchange and its clearing association from trading in raw sugar futures unless backed by actual ownership or control of the commodity. The Government's petition was for a preliminary injunction pending a final hearing of the question. The case was taken under advisement after John W.Davis had presented arguments on behalf of the exchange and after his arguments had been answered by counsel for the Government. The Court denied application of counsel for the Government to submit affidavits answering those submitted by counsel for the exchange. Mr. Davis asserted there was nothing in the Government's petition to show that there was a conspiracy or an agreement or that there had been any restraint of foreign or interstate trade or commerce as the result of any alleged conspiracy or agreement. 'The mere bidding up of prices in a competitive market,' he said, 'does not constitute a conspiracy or agreement in violation of the Sherman law. The Government in this case has seized upon a sympton and treated it as a disease. Enhancement of price in trading operations is not restraint of trade.' Touching on the speculative feature of all markets dealing in commodity futures, he said that the speculator filled a not unuseful place in the economic life of the country."

Grain Exports

Exports of grain from the United States during the last week were 4,601,000 bushels, compared to 4,083,000 the week before. Flour shipments from the United States amounted to 276,900 barrels, compared to 279,300 barrels the week before. European countries were the largest takers of American grain. Canadian grain in transit shipped to export from United States ports amounted to 1,255,000 bushels, compared with 2,295,000 bushels the week previous. (Press, May 8.)

Section 2.

Auto Use on Farms

Forty-seven per cent of Michigan's motor vehicles are registered in the seventy-four rural counties. The latest census report, three years ago, indicated that about one-third of the automobiles were owned by farmers, but subsequent State reports tend to show that the proportion is increasing. (Press, May 6.)

Cotton

The Wall Street Journal for May 7 says in an editorial: "From the agricultural statistician of Alabama comes announcement that over 10,000 colored laborers have left farms of the State for northern centers within the past few months. This is only one of the many reports showing a migration of colored people from the farms of the South to northern industrial centers. The movement has reached such proportions that now, whenever a southern negro buys a railroad ticket to the North, he is adding his mite toward reducing the cotton acreage. A survey by the Department of Agriculture showed that in the past few months southern farms had a net loss of 324,000 laborers, mostly on the States east of the Mississippi River. ... If present intentions can be translated into achievements, the South will plant about 10 per cent more cotton than last year. ... The world is now using American cotton at the rate of 13,000,000 bales a year. At the end of this season, July 31, 1923, there will be only a small surplus in the world to begin a new season. At the maximum estimate, the new crop will be a little more than sufficient to feed the spindles of the world, to say nothing about leaving a surplus to carry over into the next year. Therefore, the supply condition next year bids fair to be as bad as now, and may be worse. This brings us back to the question, can the expected acreage be made? Not more than a third of the planting has been done yet, so intentions are not yet converted into planted cotton. If it can be planted and cultivated, and even picked, which seems doubtful from the present labor supply, the long look ahead is not cheerful. This movement of the colored people is not like the spring migration of the birds that go North for the summer, but is mostly a permanent change of habitation. A continued colored migration inevitably means a decreased cotton production in the future while demand is on the increase. Like the boll weevil the negro now is to counted in the market as a bullish factor."

Foreign Trade

The Chamber of Commerce of the United States issues a statement, which says in part: "Many new records were established in both the export and import trade of the United States in 1922, as shown in final foreign trade statistics for the year just made available by the Foreign Commerce Department of the Chamber of Commerce of the United States. An analysis of the figures prepared by the department and issued under the title, 'Our World Trade in 1922' is prefaced with the statement that 'some of the record export shipments, it is true, must be regarded with true humility, since they represent goods sold on the bargain counter to purchasers whose buying power has been depressed.' Exports of corn in 1922 reached the highest value ever recorded for that commodity, $115,000,000, although the immense quantity shipped abroad last year, 164,000,000 bushels, fell somewhat short of the exports of 1897 and 1901. The largest amount of sugar ever exported from the United States, 1,837,000,000 pounds, went overseas in 1922. The greatest quantity of

sulphur, 486,000 tons; the largest quantity of crude petroleum, 420,000,000 gallons; the greatest amount of starch, 363,000,000 pounds, were export records also established in 1922. The exports of other commodities in 1922 nearly topped the previous high-water mark. The 7,430,000,000 gallons of molasses exported in 1922 have been beaten only once, -- back in 1906. The 47,000,000 bushels of rye were exceeded once, -- in 1920. ... "

Grain Futures Act

The Wisconsin Farmer for May 3 says in an editorial: "Those who see in the grain futures act a panacea for many of the grain grower's ills are rejoicing over the Supreme Court decision. Personally, I fear that the act will not afford any great amount of relief to the farmer, nor entirely eliminate the vicious practices which have made possible the formation of 'corners' and encouraged illegitimate grain speculation. ... Probably the most far-reaching result of the Supreme Court decision on the grain futures act is as it may affect other commodities. It need occasion no surprise if, when Congress meets, there should be a very pronounced inclination on the part of many members to pass legislation extending so-called Federal regulation to cotton, sugar, coffee, and possibly other exchanges dealing in food commodities. The decision of the highest court on the grain futures act seems to suggest that laws along the lines indicated might be found constitutional."

Prices

Farm and Ranch for May 5 says in an editorial: "Consider the farmer's dollar. Its value is measured by the price the producer receives for his products as related to the price he has to pay for the things he must buy. ... It is the consensus of opinion, as expressed in Commerce and Finance, that price adjustments which will put the farmer's dollar on par with all other dollars, are necessary to the continued prosperity of the Nation. Until this is done, the expansion of business beyond its present magnitude is dangerous. There are many who greatly fear that another business reaction will sweep the country before the ending of another year unless this price adjustment is brought about before the marketing of the 1923 crop."

Prices in Foreign Countries

The Trade Record of The National City Bank of New York, which has made a careful analysis of prices abroad at the end of 1922 compared with the same month one year earlier, finds an evidence that price advances in all parts of the world are in nearly as large proportion as in the United States. Seventy-five principal articles of imports were selected with which to compare prices abroad with those of a year ago, and about 60% of the number show advances during the year. The articles selected include representative manufacturing materials, foodstuffs and a limited number of manufactures, and advances are especially marked in raw materials and foodstuffs. (Press statement, May 7.)

Production and Marketing

California Cultivator for April 28 says in an editorial: "Every period of overproduction has been followed by a like period of underproduction, for the very plain reason that no one enjoys working for nothing, and we are always ready to engage in some other enterprise if it offers more alluring returns. ... Summing up the situation it is the same old story of the 'survival of the fittest.' Quality of production is necessary for profitable crops. (Cont'd on page 4)

The man who can grow a better quality of fruit than his neighbors is going to be able to sell it at a good price, while the inferior fruit is dumped for want of a market. The next problem is quantity of production, for unless it can be produced in profitable quantities the price is of little avail. The grower who can produce quantities of high quality fruit is not going to be seriously hurt by overproduction."

Raisin Marketing 1. California Cultivator for April 28 says in an editorial: "The question which seems to have greatest interest for raisin growers at this moment is: 'Will the success which the management of the Sun-Maid Company so earnestly labored for prove the undoing of the association and of the industry?' The prices secured by the association in 1919, '20, '21, and the success of its advertising and marketing campaign resulted in large profits to the producer. Large profits to the producer induced increased planting without consideration of the increased consumption which would be required to care for the increased production. In the present reorganization campaign there is no charge of dishonesty and the principal charge as to inefficiency is in effect that the management did not fully appreciate the enormous increase in production when Californians endeavor to produce to the limit."

2. A Fresno dispatch to The Journal of Commerce for May 7 says: "Successful reorganization of the Sun-Maid Raisin Growers, assuring financial stability and future control of the raisin market, was announced May 5 by Managing Director Ralph P. Merritt. More than 14,000 growers, representing 370,000 acres of raisin vineyards, responded to the call for voluntary signatures to a new contract between the association and its members. More than $2,500,000 was raised by public subscription among growers and business men. In a statement given to the press tonight, thanking the volunteer workers, Managing Director Merritt said: 'By the success of the refinancing campaign and the signing of the new contract, a great calamity has been averted and we now stand upon a safe foundation. The victory is not only a triumph for the Sun-Maid raisin growers; it is a triumph for cooperative marketing and a triumph for the State of California. ... ' Mr. Merritt journeyed to Washington, where Federal indorsement was obtained through the Department of Agriculture and upon his return to California the problem was frankly presented to the growers. Committees of volunteer workers were formed in every district in the raisin belt, meetings were held in all the principal cities during a week of preliminary campaigning and on April 2 the drive was launched. ... "

Roads White Pine (Nevada) News for April 29 says in an editorial: "Nobody asks that side roads to isolated settlements be made into graded highways or boulevards, but the State and county should have the consideration to give the dwellers of those places their rights. Their roads should be repaired as to washouts and dangerously rough places with the same amount of thought that is exercised as to the well traveled thoroughfares. To say that a small settlement cannot have a road unless built by its people themselves is the same as for the Federal Government to say that Nevada shall not have roads because it is a remote and sparsely settled State."

Reforestation

The Progressive Farmer for May 5 says in an editorial: "In addition to more liberal taxation on timber lands, there is a need for a strong effective forestry department in each Southern State. This will come when our appropriations for forestry are made larger, for with the limited funds available for the work, these departments are now doing remarkably well. The destruction of timber by forest fires is another of our biggest forestry problems, and it is only through an active, liberally supported forestrydepartment that the proper patrol work essential to fire protection can be given."

Section 3.

Department of Agriculture

1. The Outlook for May 9 says in an editorial: "A blue tinge pervades the agricultural outlook report given out by the U. S. Department of Agriculture. It was prepared by a committee made up of economists and statisticians, not from the department itself, but from leading business, educational, and research institutions. ... The report is bluest in its forecast where it touches wheat. ... The first impression of the report is that it is too gloomy. It must be remembered, however, that there were represented on the committee such educational institutions as Harvard and Yale; such financial institutions as the National City Bank of New York; such research institutions as the National Bureau of Economic Research; such industrial concerns as Armour & Co.; such producers' organizations as the American Farm Bureau Federation; three branches of the Federal Government -- the Department of Agriculture, the Department of Commerce, and the Federal Reserve Board. Not all of them are likely to have an undue quantity of indigo on their eyes at the same time."

2. Basing an editorial on the department's financial survey of 6,000 farms for the year 1922, American Fertilizer for May 5 says: "The probable purpose of the survey was to prove that the farmers receive too little for their work. On the face of the returns this would seem to be true, and yet the figures are no less an indictment against the judgment, or business ability, or industry of the farmers. If this survey is representative, as it claims to be, the farmers are suffering, not from anything the Federal Reserve banks have done, but from a lack of capital or a want of plain common sense which would maintain a reasonable proportion between the size of their farms and their working capital. ... On 345 farms there was a profit of more than $3,000; 885 farms failed to pay expenses, the loss on 139 of them being more than $1,000. This indicates the impossibility of working out an equitable scheme of crop insurance, which some congressmen are still agitating. Rain and sunshine are not the only factors in producing a full crop. It will be hard to insure the farmers such a crop without putting a premium on inefficiency."

3. The Idaho Farmer for May 2 says in an editorial: "Ordinarily we think of undesirable aliens as human beings. ... There is another type, however, and the U.S. Department of Agriculture is on the job at ports of entry with a view to preventing the representatives of this latter type from entering the United States. ... While there are serious agricultural pests in this country against which

constant warfare must be waged, foreign countries as a rule are more seriously afflicted than is the United States. Immigrants from these countries may, if permitted, unintentionally smuggle into America the foundation for a meanacing host of various of these foreign undesirable aliens. It is good to have a watchdog at the port of entry."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 7: Wheat and corn prices firm most of day but liquidation was resumed later and sharp break developed. Closing prices Chicago cash market: No. 2 red winter wheat $1.24; No. 2 hard winter wheat $1.18; No. 2 mixed corn 79¢. No. 2 mixed corn in Central Iowa 67¢. Closing future prices: Chicago July wheat $1.15 7/8; Chicago July corn 77 1/2¢.

Chicago hog prices down 15 to 25¢ closing $8.15 top. Beef steers and stockers and feeders strong to 15¢ higher, medium and good beef steers $8.20 to $9.80. Butcher cows and heifers strong to 25¢ higher at $4.75 to $9.75. Fresh meats steady to higher.

South Carolina Wakefield cabbage $2.25 to $3.25 per barrel crate New York and Philadelphia. Florida Spaulding Rose potatoes mostly $6.50 to $7 per barrel Boston, Pittsburgh and Chicago. Texas yellow Bermuda onions $2.25 to $2.75 per crate in city markets; $1.50 f.o.b. cash track producing sections. Louisiana Klondike strawberries $3 to $4 per 24-pint crate in consuming centers. New York Baldwin apples $6 to $7 per barr l.

Spot cotton down 103 points closing at 25.21¢ per pound. New York May futures down 125 points at 25.40¢ per pound.

Butter prices firm; 92 score butter 43 1/4¢ New York; 42¢ Chicago. Cheese markets fairly steady. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 7,	May 5,	May 7, 1923
20 Industrials	95.41	96.73	92.84
20 R.R. stocks	80.37	84.01	84.30

(Wall St. Jour., May 8.)

For Secretary's Office DAILY DIGEST May 9, 1923.

Section 1.

Wheat Market A Chicago dispatch to the press to-day says: "The Government report on winter wheat, issued after the close May 8, was regarded by the trade as slightly bearish, although the estimated yield of 578,000,000 bushels was practically the same as the average of the private guesses, and compared with 586,000,000 bushels harvested last year. The condition of 80.1, however, was slightly higher than the private reports. Sentiment has undergone considerable change and there was excellent support given the grain markets on the breaks yesterday."

Cotton Stocks Stocks of American cotton on hand April 1, the Department of Commerce estimated yesterday, totaled 6,039,000 bales, while the total world stocks on the same date amounted to 12,010,000 bales. During the eight months ending April 1, the department estimated consumption of American cotton at 9,021,000 bales and world consumption from all sources at 15,281,000 bales. On July 21,1922, stocks of American cotton were estimated at 5,123,000 bales and the world stock at 9,536,000 bales. It also was calculated that 1922 production of American cotton amounted to 9,937,000 bales and the world production was 17,755,000 bales. (Press, May 9.)

Foreign Situation The New York Times May 8 says: "Willis H. Booth, vice president of the Guaranty Trust Company of New York, who was elected president of the International Chamber of Commerce at its recent congress in Rome, is returning home with rather optimistic views of the conditions in Europe. He says that they have improved every year since the signing of the peace treaty. He finds that people have more money, that crops are good, and that more land is under cultivation each year. He believes that France and Germany will be compelled to make some kind of terms soon. In the only interview he has given while on his trip Mr.Booth said: 'Disregarding the ever-present political factors for the moment, the problems of Europe may be gathered under three heads: The impasse between Germany and the Allies is industrial; in Middle Europe the trouble is largely agricultural; in the Near East it is commercial. France has no intention of allowing Germany to reestablish her industrial position at the expense of unpaid reparations. The further payments France will insist upon even in the face of a moratorium, will be such as to assert control over the industrially competing position of Germany for the next generation at least. ... In the last analysis the investor in England and the United States is going to be the determining factor in any reparation settlement. Unless he has confidence that the settlement will insure the peace of Europe for an extended period and is within the capacity of Germany to pay, no basis for credit has been established, and without such a basis the ultimate financing cannot be done. Hence the importance of broad educational efforts by every possible agency, to the end that American judgment, when called for, shall be intelligently expressed. The Middle European countries are largely based on agriculture. The peasants are in the main prosperous. Practically all the countries are back to their prewar acreage, if not production. But the peasant of Poland, Czechoslovakia, Hungary, Austria, Rumania, Jugoslavia and other countries has been given a new toy in the form of voting control in those countries, and he is not handling it as yet very wisely. ...'"

Section 2.

Agricultural Implements for Turkey

The Journal of Commerce for May 8 says: "According to an announcement by the Turkish Information Bureau, besides the Chester concession, which includes the construction of railroads, the exploitation of mines and the other natural resources of Anatolia, the Angora Government has recently signed an agreement with the Ottoman American Development Company for the sale and distribution of agricultural implements in Turkey. This concession has also been approved by the Grand National Assembly of Turkey and signed by the Angora Government, but has not attracted so much public interest in the United States as the Chester concession. According to the agreement reached between the company and the Turkish Government, the said company will have the right, with the help of the Government, of importing and distributing agricultural implements throughout Turkey. It will open stores, repair shops and depots wherever it deems necessary. ... The company will open model farms in order to teach the people the use of machines introduced into Turkey. The prices of machines will be jointly fixed by the company and the Turkish Government. The Government will help the company in its work. The Agricultural Bank, further, has agreed to buy agricultural machines from the company, about 400,000 pounds Turkish worth every year."

Crop Insurance

The Washington Farmer for May 1 says in an editorial: "The fact might as well be faced in the beginning, that if farmers have to go to privately owned insurance companies for protection against crop loss they will pay dearly for it. ... Cost of crop insurance, which, of course,would be experimental in the beginning, would fall very heavily on the individual farmers. Yet there is force to Secretary Wallace's objection to the Government's going into crop insurance. We think he points out the proper road when he says, 'Mutual associations among the farmers, by which a wide distribution of risks will be obtained, would, in my opinion, be successful.'"

Danish Agriculture

Jens Warming, of the University of Copenhagen, in a lengthy article on "Danish Agriculture with Special Reference to Cooperation," in Quarterly Journal of Economics for May, says: "The channel into which Danish farmers direct their production is, of course, determined by the prices of agricultural staples, and therefore it has changed very much in the past centuries. We are so fortunate as to have preserved exact figures for the prices of the leading articles for 250 years, and in that long period there has been a nearly uninterrupted clear tendency, namely, that the prices of manufactured animal products have become more favorable in proportion to the prices of grain. In the period 1661-80 the price of a certain quantity of butter was 11 times the price of a certain quantity of grain; a hundred years later 16 times; in 1876-80, 20 times; in 1901-05, 27 times; and the price of bacon has moved nealy parallel to that of butter. ... We also have figures for wages, which show that from 1788 to 1913 the wages of agricultural laborers increased in the ratio of 1 to 4. Meanwhile the prices of butter and bacon increased in the ratio of 1 to 3, but grain prices in the ratio of 1 to 2 only. Accordingly Danish farmers have directed their production more and more towards butter

and pork, while the sale of grain is now of little importance. The chief causes of this development in relative prices have been three: (1) That the progress in grain production has been faster than in animal production, (2) That the increasing prosperity in the world has increased the demand for refined food, (3) That the increase in wages has increased the cost of production of this refined food. And it is worth while to note that the increasing prosperity of the laborers has gone on contemporaneously with an increase in land rent. You know from Ricardo that when rent rises, the condition of laborers declines, but that progress can reduce rent again. Here in the economic history of Denmark we have evidence that progress can favor the laborers and nevertheless permit rent to rise. This is because we now produce more on inferior soil than we formerly produced on the fertile, and still the fertile soil has a surplus in proportion to the inferior. ... Here in America I have found that you are interested especially in cooperative marketing. Well, when our farmers produce together, they also sell together; cooperation only for marketing we have for some smaller articles, such as eggs, seed, and potatoes. For eggs a great cooperative export society was started in 1895, but only 25 per cent of our eggs are sold on cooperative terms, while the corresponding figures for dairies and slaughter houses are 83 per cent and 66 per cent. Nevertheless, cooperation has been of great importance for the egg trade, having raised the moral standard. Before that time, in the autumn when the production decreased and the prices increased, the farmers kept the eggs a week or two, the wholesale dealer kept the eggs another week, the retail dealer a third week, and finally the eggs arrived in England in rather bad condition. But in a few years cooperation succeeded in raising the standard of the egg trade in its own field as well as in private business."

Grain Futures

Farm, Stock and Home for May 1 says in an editorial: "The matter of the regulation of 'futures' will, as we understand it, be left to the Department of Agriculture. What its position will be can only be guessed at this time. Under the present system of marketing we hope the department will be very slow to take action against options. The fact of the Department of Agriculture having the power to step in and regulate future trading will, we believe, be all that will be necessary to prevent the raw manipulation of prices that has been worked in the past. Notwithstanding the abuses that exist under the system of option or futures trading, doing away with it would in our opinion be disastrous to the farmers. ... Some time, when farmers get equipped with sufficient storage on their farms to hold their own crops and become well enough organized to distribute the sale of these crops to the market as wanted, then it will become possible to do away with future trading. But as long as farmers insist that someone else must carry their crops until sold, it is economic suicide for them to demand that this burden be carried without future trading."

Meat Prices

Consumption of meat and meat products continues on a broad scale, reflecting better employment conditions and the improved industrial situation. This condition has been particularly noticeable in the industrial centers of the country. Despite the broad demand, however, the wholesale prices of practically all kinds of

meat remain at low levels. This is especially true of smoked meats. ... In the opinion of many packers, present meat values are too low, compared with costs of raw materials plus expenses. The recent advance in wages will add materially to packinghouse expenses. Increased cost of supplies also is a factor. In many cases hogs are still "cutting out" at a loss, and according to some packers, beef operations during recent weeks have not been on a profitable basis. The advance in the live price has been more rapid than the increase in the selling price of the beef. Receipts of livestock at twenty leading markets for the first four months of the year were about 7 per cent larger, in the case of cattle and sheep, than for the same period a year ago. Receipts of hogs for these four months, however, were a third larger than a year ago. Taken in conjunction with the fact that exports so far this year have not increased greatly, if at all, and that most of this increased production, therefore, has been marketed at home, these figures indicate to some degree the enlarged volume of recent and current consumption. (Press statement, Inst.Amer.Meat Packers, May 5.)

Production and Consumption

The Secretary of Commerce said in an address May 8 at the annual meeting of the Chamber of Commerce of the United States in New York: "We must get our minds away from the notion that prewar standards of living and volume of business would be normal now. Normalcy is a vastly higher and more comfortable standard than 1913. We must not judge the state of business activity by prewar figures, but by a hugely increased base. We must not be frightened when our output of steel or textiles or automobiles, lumber, corn or hogs, or our car loadings amount to figures far in excess of those that would be implied alone in a mormal growth of population. The fourth line of defense and if possible a complete defense of prosperity, is in a general comprehension and unity of action in broad phases of commercial strategy. There is a steadily growing sense of cooperation in American business -- not in restriction of trade -- but in a sense of collective thought and action in the broad strategy of employment, production, distribution and credits and of the interdependence of the whole fabric. There is a better understanding of the fundamentals which control the ebb and flow of commerce. ... There has been in the past decade an unparalleled growth of our industrial and commercial efficiency and our consequent ability to consume. I do not refer to that growth of productivity which should naturally be expected to accompany the increment of 14 millions in our population during the last decade, nor do I refer to the increase in dollar figures due to higher prices. Entirely over and above these contributions to increased figures, we are producing a larger amount of commodities per capita than ever before in our history. Precise comparisons are difficult to adduce. But exhaustive study from many angles of production over average periods ten years apart, before and since the war, would indicate that while our productivity should have increased about 15 per cent due to the increase in population, yet the actual increase has been from 25 to 30 per cent indicating an increase in efficiency of somewhere from 10 to 15 per cent."

Section 3.

Department of Agriculture

W.C.Palmer, of North Dakota Agricultural College, says in the Dakota Farmer for May 1: "It will be noted that whenever the Federal grades on wheat have been studied or the facts relating to their working out have been presented to an impartial body, the conclusions reached have been to eliminate foreign material other than dockage and moisture as a degrading factor. It has not, however, so far been possible to convince the Secretary of Agriculture that the grades work any injustice to those who have to sell by grade, and efforts have been made to secure changes in the grades from those who have successively held the post of Secretary of Agriculture since the Federal grades on wheat were established. It is certainly encouraging to have Mr.Spillman, a representative of the Department of Agriculture, see that these grades work to the disadvantage of those who sell on grades and that they make a great opportunity for the mixer."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 8: Wheat prices higher with best support in several days. Chicago July wheat closed at $1.17 3/8; Chicago July corn 78 5/8¢. Strength in stocks and cotton and forecast for much colder weather with freezing temperatures in Northwest and killing frost in Illinois were main market factors. Closing prices in Chicago cash market: No.2 red winter wheat $1.27; No.2 hard winter wheat $1.19; No.3 white oats 46¢. Average farm price No.2 mixed corn in Central Iowa 68¢.

Chicago hog prices down 25¢, bulk of sales $7.40 to $7.90. Beef steers, butcher cows and heifers steady to 10¢ higher, medium and good beef steers $8.25 to $9.90. Lambs down 15 to 25¢, fat lambs selling at $12 to $13.50.

Florida Spaulding Rose potatoes $6.50 to $8 per bbl. in city markets; $5.50 at shipping points. South Carolina Wakefield cabbage $2 to $4.50 per bbl. crate in city markets. Texas Yellow Bermuda onions $2 to $2.50 per standard crate in leading cities; $1.50 to $1.60 f.o.b. North Carolina Klondike strawberries 25 to 30¢ qt. basis in city markets; $4 to $6 per 32-qt. crate at shipping points. New York Baldwin apples $6.50 to $7.25 per bbl.

Spot cotton up 21 points closing at 25.42¢ per lb. New York May futures up 40 points at 25.90¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 8,	May 7,	May 8, 1922
20 Industrials	96.54	95.41	92.57
20 R.R. stocks	81.55	80.37	83.98

(Wall St.Jour., May 9.)

Section 1.

Government Loses Sugar Injunction

The Government lost its suit to enjoin the New York Coffee and Sugar Exchange yesterday, but Attorney General Daugherty in Washington said that an appeal to the United States Supreme Court would be taken "in the shortest possible time." The markets for refined granulated sugar, Cuban raw sugar and sugar futures on the sugar exchange were again strong with further advances in prices. (Press, May 10.)

Cotton Standards

The cotton standards act, passed at the last session of Congress and effective on August 1, will be ruinous to southern cotton planters and provide an unnatural obstruction to marketing the cotton crop, Homer L. Rankin, vice president of the New Orleans Cotton Exchange, told members of the foreign commerce group of the United States Chamber of Commerce yesterday at its annual meeting in New York. "The cotton act is intended to regulate the handlers of spot cotton," he said, "and functions that from time immemorial have been handled by individuals are to be handed over to the Government after the first of August. Classifications are to be controlled from Washington and the buyer who dares to call cotton by any other name or grade than that prescribed from Washington is to be fined or imprisoned or both, be he farmer, buyer, exporter or mill man. If anything was needed to accentuate the centralism that has been going on ever since the close of the Civil War, it has been afforded by this last act, which will suppress many earnest workers in hundreds of interior southern centers who have contributed toward handling our cotton crop, aiding competition, facilitating the movement and marketing of our cotton. Rarely has a people been stirred up as the southern cotton men have been by the enactment of this law. It came as a clap of thunder from a clear sky." (N.Y. Times, May 10.)

British Rubber Ban Attacked

Harvey Firestone, president of the Firestone Tire and Rubber Company, attacked the British act restricting the production of rubber, at the annual meeting of the Chamber of Commerce of the United States at New York yesterday. He declared that the American rubber industry should no longer be dependent upon foreign countries for a supply of its raw material and suggested that the United States should produce its own rubber in the Philippines. Mr. Firestone declared that there was a crisis in the rubber industry, due to the restriction of production and the increased demand because of the rapid increase in this country in the use of the automobile and motor truck. (Press, May 10.)

President Bradfute Calls Research Conference

President Bradfute, of the American Farm Bureau Federation, has called a conference of agricultural economists of the Middle West States to meet in Chicago on May 18. Organizations in twelve Middle Western States have been invited to send their research experts to the conference. In his call for the conference President Bradfute states that its object is to talk over the research work which is now being done by the various organizations and to consider the desirability of organizing a Middle West Agricultural Economics Research Committee. (A.F.B.F. News Letter May 3.)

Section 2.

Food Prices

The Department of Labor issues a statement showing changes in the retail cost of food in 17 of the 51 cities included in the Bureau's report. During the month from March 15, 1923, to April 15, 1923, 11 of the 17 cities showed increases, as follows: Denver and St.Louis, 2 per cent; Cincinnati, Detroit, Little Rock, Louisville, Milwaukee, Newark, Norfolk, and Omaha, 1 per cent. Washington,D.C., increased less than five-tenths of 1 per cent. There was a decrease in 6 cities. Boston, Fall River, and Portland,Me., 1 per cent, and Bridgeport, Butte, and New Haven, less than five-tenths of 1 per cent. For the year period April 15, 1922, to April 15, 1923, the 17 cities showed an increase. Bridgeport, 7 per cent; Denver, 6 per cent; St.Louis, 5 per cent; Boston, Detroit, Fall River, Little Rock, Milwaukee, Newark, New Haven, and Portland,Me., 4 per cent; Louisville, 2 per cent; Cincinnati, Norfolk, Omaha, and Washington, D.C., 1 per cent. Butte increased less than five-tenths of 1 per cent. As compared with the average cost in the year, 1913, the retail cost of food on April 15, 1923, was 49 per cent higher in Washington, D.C., 48 per cent in Detroit; 47 per cent in Boston; 45 per cent in Fall River; 44 per cent in Milwaukee and St.Louis; 43 per cent in New Haven; 42 per cent in Newark; 41 per cent in Cincinnati and Omaha; 39 per cent in Little Rock, and 33 per cent in Denver and Louisville. Prices were not obtained from Bridgeport, Butte, Norfolk and Portland, Me., in 1913, hence no comparison for the 10-year period can be given for these cities.

Foreign Markets

Farm, Stock and Home for May 1 says in an editorial: "Revival in Europe has progressed further in agriculture than it has in manufacturing. This is a natural development, for of course there cannot be any permanent growth in general business without a firm agricultural foundation. Crop prospects generally are much better than a year ago, so that we might as well make up our mind to the unpleasant fact that export of United States foodstuffs has passed its peak and a steady decline will probably set in until we are back on a prewar basis of agricultural exports. The foregoing is exactly opposite to what is generally believed. It has been firmly driven home that the reverse is to be expected, that as Europe begins to come back, the demand for our foodstuffs will increase and agricultural prosperity will return. If we base our farming operations on this false foundation, nothing but disaster can result, yet how many farm papers have put this self-evident truth before their readers?"

Immigration

New England Homestead for May 5 says in an editorial: "There is great danger associated with the movement for further restriction of immigration. ... Scarce labor means dear labor and dear labor inevitably means higher prices for all we have to buy. America did not reach its present magnitude and efficiency by barring desirable types of immigration. It is no time to begin now. Every farmer who is up against it for labor right now feels deeply the truth of these suggestions."

Land Values

The Breeder's Gazette for May 3 says in an editorial: "One of our Wisconsin subscribers writes that in his region 'nearly every third farm is for sale,' and that many have changed hands at forced sales. Optimism, he implies, is at a low ebb, and the local situation could not be much worse; but note this illuminating sentence from his letter: 'Yet many farmers are making a fair rate of interest on a fair valuation of their land, and a good living for themselves.' In a general way, this statement is applicable to hundreds of farming communities. A large percentage of farms in the best farming regions changed hands at highly inflated values during the 'boom' days. Their valuations were based upon war prices for farm products, with a considerable speculative 'value' added. When the prices of farm products and livestock dropped to far below normal, it was impossible for owners to make them pay, or to meet interest payments. Agricultural 'hard times' inevitably ensued. They are largely ascribable to enormously inflated land values. Men who bought or who have since come into possession of them cannot make them pay, under present conditions, unless they do much better farming than the average in their communities. On 'fair valuations' these men are still making money and a good living. Eventually the inflated or artificial value of farming land will be squeezed out of it, and farms will pass into the hands of men who can make them pay. Agriculture can then be fairly judged as a vocation."

Pittsburgh Plus

Farm Implement News for May 3 says in an editorial: "We have wondered and have often been asked what effect Pittsburgh Plus actually has on the cost of farm machines. The price a farmer pays for a grain binder includes seven dollars tribute to Pittsburgh Plus. The farmer pays seven dollars that have not been earned by anybody; and that is a good deal of money to the average farmer in these days. ... So it runs through the entire list of agricultural machines. In the light of these figures, it appears that whatever discrepancy may exist at present in the relation of prices of farm products to prices of farm equipment may be due to Pittsburgh Plus system which compels every manufacturer to pay Pittsburgh freight, regardless of the location of the plant from which he obtains his supply of steel."

Production

H.J. Waters says in the Weekly Kansas City Star for May 2: "The Kansas farmer has doubled his acreage of wheat within the last two decades and has increased his wheat sowings almost two-thirds since the beginning of the World War. This means, of course, that several million acres once grown in corn, alfalfa, sorghums and other crops in Kansas are now sown to wheat. In the meantime, there has been a falling off in the number of cattle, particularly of dairy cows, and only a very slight increase in the number of other stock raised on Kansas farms. ... What is true of Kansas in this respect is also true of Oklahoma, Nebraska and the Dakotas. ... Then we must not overlook the fact that European countries are emphasizing the production of bread grains as one way of offsetting the effect of the demoralized state of their currency. ... A sound policy, therefore, would lead us as rapidly as possible away from the present excessive acreage of wheat into a system of farming where livestock, particularly the dairy cow and the hen, have an

increasingly important part. Wheat, of course, would continue to be the major crop in the wheat regions of Kansas, Oklahoma, Nebraska and the Dakotas, but the cropping system should be modified so as to insure the farmer an income from his dairy cows and hens that would support his family and his farming operations in the average season, leaving him his wheat crop when he had one as a profit, and with his bills paid when wheat fails."

Section 3.

Department of Agriculture

1. A.R. Marsh, in The Economic World for May 5, says: "As part of a general campaign which it appears to have entered upon for the promotion of the so-called cooperative system among the farmers of the country the U.S. Department of Agriculture has now begun to spread broadcast advice to the farmers in favor of the organization of farmers' mutual fire insurance associations, to the end that the farmers may be freed from the necessity of patronizing the regular fire insurance companies and may obtain their fire insurance protection at the presumably lower cost made possible by avoidance of the larger elements of expense implicit in the maintenance and operation of the country-wide machinery of fire insurance. ... It goes without saying that such a statement as this, having the authority of a great department of the National Government behind it, is calculated to impress profoundly the mind of the average farmer with the enormous saving in the cost of his fire insurance which will result from the produring of coverage for his property from a farmers' mutual fire insurance association, rather than from a stock fire insurance company. The recital of the excessively low cost of insurance achieved by certain farmers' mutual fire insurance associations is seductive in the extreme; and few farmers possess the necessary information to enable them to perceive that the case is by no means as one-sided as on its face it appears to be. Unquestionably the average farmer in the United States is desperately hard pressed to make both ends meet in maintaining anything like a reasonable standard of living, and when he is told by a department of the Government that it is entirely feasible for him to save a good many dollars a year on his fire insurance alone by the seemingly simple method of farmers' mutual insurance, it is scarcely to be wondered at that he is easily persuaded of the desirability of freeing himself as quickly as he can of the implication by excessive charges of the regular fire insurance companies. What the farmer does not see, of course -- and what the Department of Agriculture is careful to say nothing about in its propaganda -- is that when through the operation of his farmers' mutual fire insurance associations he separates from the general body of insurable property in the country that part of the property upon farms which both intrinsically and by reason of the possibility of severe selection is characterized by a relatively very low burning hazard, relieving this property of its share of the expense of providing fire insurance for all the multitudinous kinds of property that need coverage, he is in effect increasing pro tanto the necessary cost of fire insurance in general, including the cost of the insurance of his own products throughout their entire course of distribution, as well as the cost of the insurance of all the things he has to obtain from the other classes in society throughout the whole process of producing these things and putting them at his disposal. ... "

Department of Agriculture

2. The Weekly State Journal (Nebraska) for May 2 says in an editorial: "A Nebraska farmer attacks the practice of Government crop reporting on the ground that this information is uedd by speculators to the farmer's disadvantage. The president of the American Cotton Association attacks the Government for making a report on the prospective cotton acreage. This report, Mr.Wannamaker declares, came to the rescue of the gamblers who faced heavy losses through selling cotton they did not own. This came about through the fact that the report indicated the planting of a heavy crop. On the strength of this report prices yielded, relieving the 'shorts' among the cotton speculators. Granted that these crop reports are accurate, the conclusion of their critics is wrong. Whether or not the farmers know, by the help of Government reports, what the general crop prospects are, the professional speculatros in farm products will know. they maintain agencies of their own for collecting such information. Give the speculator the information and deny it to the farmers, and the farmers are more than ever at the mercy of the speculators. The western farmers have suffered in the past through the disposition of the West to overrate its crop prospects. Our interests as land speculators have caused us to look at crops through rose colored spectacles, to the detriment of our interests as farmers. Actually, all interests are best served by ascertaining and publishing the cold facts to all the world. But they must be the facts. ... The fact gatherers should keep clear of the interpreter's function. That way lie great possibilites of error and abuse."

Section 4.

MARKET QUOTATIONS.

Farm Products

May 9: Wheat had firm undertone but prices held a narrow range. Export demand slow with only small sales reported. Frost predicted in Illinois. No.2 red winter wheat Chicago $1.27; No. 2 hard winter wheat $1.20; No.2 mixed corn 81¢. Average farm price No.2 mixed corn in Central Iowa 68¢. Chicago July wheat $1.17 7/8; Chicago July corn 79 3/4¢.

Chicago hogs down 10¢, bulk of sales $7.30 to $7.75. Beef steers, butcher cows and heifers strong to 15¢ higher, medium and good beef steers closing at $8.35 to $10. Fat lambs up 25¢ at $12 to $13.75.

Florida No.1 Spaulding Rose potatoes mostly $6.50 to $7.50 per bbl. in consuming markets. South Carolina Wakefield cabbage mostly $3 to $4 per bbl.crate. North Carolina Klondike strawberries $4.50 to $6 per 32-qt.crate wagonloads cash to growers. Texas Yellow Bermuda onions $2 to $2.75 per standard crates in leading markets; $1.60 f.o.b. shipping points.

Butter prices up about 1/2¢ per lb. Cheese markets steady.

Spot cotton up 49 points closing at 25.91¢ per lb. New York May futures up 59 points at 26.39¢.

Timothy hay markets firm on good quality hay because of light receipts. Feed markets dull. (Prepared by Bur. of Agric.Econ.)

Industrials and Railroads

Average closing price	May 9,	May 8,	May 9, 1922
20 Industrials	98.19	96.54	9b.58
20 R.R. stocks	82.31	81.55	83.13

(Wall St.Jour., May 10.)

For Secretary's Office DAILY DIGEST May 11, 1923.

Section 1.

Chamber of Commerce Resolutions

The Chamber of Commerce of the United States declared in favor of a general international economic conference and the World Court of Justice at its eleventh annual convention at New York May 10. Resolutions also were adopted favoring the lossening of immigration restrictions by adding a selective 2 per cent to the present 3 per cent restrictive quota; expressing confidence in a solution of the railroad problem; expressing belief that the State should continue to regulate public utilities instead of delegating its power to local authorities, and favoring the private operation of Government-owned ships, the improvement of waterways, development of a system of flood control and the reclamation of waste land. (N.Y. Times, May 11.)

Rubber Expert Appointed

J.J. Blandin, of Baltimore, former head of the Rubber Plantation Bureau of the Goodyear Tire and Rubber Company, has been appointed chief of the special commission being chosen by the Department of Commerce to investigate the possibilities for rubber production in the Philippines and some South American countries. (Press, May 11)

Sugar Situation in Canada

An Ottawa dispatch to the press to-day says: "The Agricultural Committee of the House of Commons May 10 summoned the heads of five large Canadian sugar refineries to appear next Tuesday to testify as to the cause of high prices."

A Winnipeg dispatch says: "Women's organizations throughout Canada have been asked to cooperate with the Women's Labor League of Winnipeg in instituting a national 'sugarless day,' to promote a boycott against high prices."

Negro Migration from South

A Louisville, Ky., dispatch to the press to-day says: "Thousands of negroes have migrated from the Southern States to Northern and Western regions within the last six months, and the movement is showing signs of continuing, Dr. L. Garland Penn, Sr., of Cincinnati, executive secretary of the Board of Negro Education of the Methodist Episcopal Church, stated in an address made May 10 at the conference of city church workers held under the auspices of the Board of Home Missions and Church Extension of the United States. Mr. Penn said the movement was alarming and he thought the leading white and negro citizens should confer with a view to affording better living and school conditions and more brotherly treatment. Unsatisfactory living conditions, denial of the right to vote, boll weevil ravages on cotton crops and mob violence were some of the reasons for the migration, in the opinion of Dr. W.A.C. Hughes, a negro of Philadelphia, director of the Bureau of Negro Work."

Road Maintenance

Roy D. Chapin, chairman of the Hudson Motorcar Company, before the convention of the National Chamber of Commerce asserted that the public was not paying its share of the construction and upkeep of highways used in the transportation of commodities. In 1922, he said, motorcar users paid $340,000,000 of special taxes, or nearly one-half of the total highway construction and maintenance bill of the Nation. (Press, May 10)

Section 2.

Comparison Standards

New York Commercial for May 9 quotes Julius H. Barnes at the annual convention of the Chamber of Commerce of the United States, May 8, as follows: "To-day, the most common standard of comparison is the 'prewar' year of 1913. It is true that the disorganization of war and of the indeterminate peace conditions which followed make greatly more difficult the use of the ordinary trade indicators in the years intervening, but one must not forget that 'prewar' again means the passage of a decade, and a decade in which science and invention have aided the processes of industry as in no preceding similar period of commercial history. Since 1913, then, these influences have come into play: Our population has increased 14,000,000, with all that means of enlarged requirements. Our annual national income has increased from $34,000,000,000, to over $50,000,000,000 with all that means of buying and investment power. Our aggregate savings deposits have increased from $6,000,000,000 to $14,000,000,000 with all that illustrates of the reward to thrift and self-denial. Our deposits in national banks increased from $6,000,000,000 to $17,000,000,000 with all that indicates of the accumulation of liquid capital for investment and for enterprise. Increasing production of articles of human use could not be maintained if wealth and buying power were in the hands of relatively few fortunate possessors. The story is told, for instance, in this simple analysis of the 20 years between census points of 1900 and 1920: Our population increased 40 per cent. The volume of our food production increased 38 per cent, showing secure assurance of our home supplies. The volume of mine production increased 128 per cent, showing a secure basis of service for the fabrication of industry. The volume of our factory production increased 95 per cent, showing that in 1920, with 40 per cent more of population, there were produced articles of human use of double the quantity produced in 1900. In the service of all our basic industries, particularly agriculture, but fabrication as well, we must appreciate the service of the great industry of transportation, which has also developed its own economy on lines distinctively American. The freight car of 1875 which was 65 per cent dead load and 35 per cent cargo, has been developed by American ingenuity, until to-day, for special service, there are cars 20 per cent deadweight and 80 per cent earning load. No such record of improvement of economical carrying exists on any State-owned line of Europe."

Farm Machinery

A.D. Welton, Chicago correspondent of The Philadelphia Ledger, says in the issue for May 10: "Builders of farm machinery are among those who can see prosperity only through a powerful glass. It is doubtful if any producing factor is better organized or has finer facilities for reaching prospective consumers of their products through salesmen, dealers and advertising, both general and direct. The manager of one large concern has given the opinion that farm machinery of all kinds is better in quality and practical adaptability than ever before. He would venture, however, no other explanation of slow business than that the farmer moves slowly or at least with the seasons. There is plenty of evidence that the farmer is really not a one-season or a two-season man. He has products that he can and does sell throughout the year. In the grain States, however, there is an idea that there is only one season,

because the harvest of the primary crops overshadows everything else. Farm machinery manufacturers are looking forward to the late summer and fall with hope. Their sales have been increased for some time. The point is that they are not participating proportionately. The farmers are buying motorcars. There is no doubt about that. They are paying for them in cash, sometimes, and oftener with notes."

Jew in Agriculture "Jews As American Farmers" is the title of an editorial in Commercial West for April 28, which says: "The annual report for 1922 of the Jewish Agricultural Society has just been issued. This society was formed 23 years ago for the purpose of encouraging Jews to engage in farming instead of seeking homes in the overcrowded cities. Its specific mission is to 'rear up a prosperous and contented class of Jewish farmers, to make not merely more farmers, but, what is equally important, better farmers.' Since the work was instituted thousands of industrious Jews have been placed on farms. To quote from the report of Gabriel Davidson, general manager of the society: 'Twenty-three years ago, when the society first began to function there were 216 Jewish farm families in the United States. To-day we have a Jewish farm population of 75,000. In 1900 the total acreage owned by Jewish farmers was 12,029 acres. To-day more than one million acres are farmed by Jewish hands, and the real estate and personal value of these holdings are over 100 million dollars. Every State in the Union has its quota of Jewish tillers of the soil.' The society's extension department maintains a staff of Jewish agricultural experts, and these, by a system of itinerant instruction, bring to the Jewish farmers agricultural information on every conceivable branch of farming. The society also publishes The Jewish Farmer, the only Yiddish agricultural magazine in the world. ... Many Jewish farmers, starting not half a dozen years ago without capital, and with only the aid tendered them by the society, have paid off all indebtedness, now own farms and are prosperous. In the Eastern States where farms, on account of their nonproductiveness, were abanadoned by previous owners, Jewish farmers have acquired them and have turned the land into profit. Three-fourths of the 75,000 Jewish farmers are in the States of Connecticut, New Jersey, New York, Massachusetts and Michigan. The secret of the success of the Jewish farmer lies in his ability to apply scientific methods to farming, to market his products most economically, and chiefly to work diligently. Since the society's farm loan department was established in 1900 it has granted 6,627 farm loans aggregating $4,143,000 covering 38 States. These loans were made upon substandard securities, on second third, fourth, and even fifth mortgages. During the 22 years of the society's history the losses on account of such loans have been approximately 3 per cent."

Prices "Agriculture Still in the Doldrums" is the title of an editorial in The Magazine of Wall Street, which says: " ... These inequalities in the price level are of far more than mere statistical interest inasmuch as they affect large percentages of the total population. It must be obvious, for example, that the farmer is not nearly so well off as the lumber man and that the raiser of livestock is not nearly so well off as the miner. Such inequalities in the situation tend to indicate that unless a definite trend starts in toward leveling them, the result must sooner or later be the withdrawal of large sections of the population from the market with

consequent losses to business, in general. It is for this reason that the course of commodity prices should be watched closely during the next few months, for if they continue to reveal any such wide discrepancies as now actually exist, we must expect an earlier termination of the present business move than would otherwise come about."

Railroad Rates

The Montana Farmer for May 1 says: "While testifying at the freight rate hearing at Helena, W.L. Stockton, vice president of the Montana farm bureau, touched on the labor situation. News dispatches quote him in part as follows: 'Farmers and the railroads must go to the mat with labor in order to reduce the costs of farming and railroad operation. The inability of the farmer to realize profits from his operations is due primarily to labor costs and freight rates. The railroads are paying too high wages to trackmen who work side by side with farm laborers in many instances and who influence the high labor costs the farmer must pay. We are not antagonistic to the railroads. We want them to prosper and to furnish the service that they cannot give unless they do prosper. I don't know whether railroads can furnish service any cheaper or not but agriculture is surely going out of business and it is not to the interest of the railroads to permit it to go out of business.'"

Reclamation Projects

The water storage capacity of irrigation project reservoirs of the Department of the Interior in Western States has now reached 10,000,000 acre-feet, or enough to cover the entire State of Connecticut with three feet of water. This information was obtained recently when the Reclamation Service of the Department of the Interior completed a summation of its work conducted since the reclamation act went into effect twenty years ago. The summation further showed that operations of the department in irrigating arid lands reached great proportions. The number of projects now under way or completed embrace upward of 3,000,000 acres of land that may ultimately be irrigated, divided into 70,000 farms ranging from 10 to 160 acres. Water is already available, it is pointed out, for more than 2,000,000 acres, or more than 44,000 farms. (Press, May 10)

Section 3.

Department of Agriculture

Who is Who in the Grain Trade for May 5 says in an editorial on the grain futures act: " ... If the rural community receives any benefit whatever from the grain futures act the fact will come as a surprise to practically all well informed observers of such matters. Whether it will do positive harm is not a question so easily answered. The most unfortunate part of the whole reform program so ardently advocated by the farm bloc in Congress is that such measures as the law now declared constitutional by the highest court render the adoption of really sound and effective legislation needed by the farmer much less likely of adoption. What is of far more consequence to the country as a whole than the mere fact that the bill may or may not help the farmers is the potential danger, not only to the grain trade but to all business. Exchanges are now under the control of the Secretary of Agriculture. Tomorrow some other branch of business will be controlled by some other Washington department or bureau. When the Supreme Court declared the grain futures act constitutional it took another step onward in the march

toward governmental bureaucracy. A careful reading of the decision will show that there is practically no limit to the extent to which the National Government can go under the commerce clause of the constitution in regulating business because practically all business in these days is interstate in character and is 'connected with the public interest.' So far as the present Secretary of Agriculture is concerned no one believes that he will do the grain exchanges any serious injury in his regulation because he understands the vital connection between production and marketing. But what would happen to the trade should ... become Secretary of Agriculture in some radical cabinet? They could wreck the grain business."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 10: Wheat prices steady early but declined later on weakness in stock and cotton markets. Corn held narrow range. Cash corn firm. No.2 red winter wheat in Chicago cash market $1.29; No.2 hard winter wheat $1.20; No.2 mixed corn 81¢. Average farm price No.2 mixed corn in Central Iowa 69¢. Closing future prices: Chicago July wheat $1.17 3/8; Chicago July corn 79 1/4¢.

Chicago hog prices steady, bulk of sales $7.35 to $7.85. Beef steers up 10¢, medium and good beef steers selling at $8.40 to $10. Feeder steers $6.50 to $8.50. Fat lambs $12 to $13.75.

Florida Spaulding Rose potatoes up 25 to 50¢ in eastern markets at $7 to $8 per bbl; $5.75 at shipping points. Texas sacked Bliss Triumphs $6 to $8 per 100 lbs. South Carolina Wakefield cabbage $3.25 to $4 per bbl. crate. North Carolina Klondike strawberries $5 to $8.25 per 32-qt.crate, wagon loads cash to growers; 22 to 30¢ qt. in most cities. Texas Yellow Bermuda onions $2 to $2.75 per standard crate in leading cities; $1.65 f.o.b. shipping points.

Spot cotton down 77 points closing at 25.14¢ per lb. New York May futures down 94 points at 25.45¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 10,	May 9,	May 10,1922
20 Industrials	97.61	98.19	91.50
20 R.R. stocks	82.15	82.31	83.12

(Wall St. Jour., May 11.)

For Secretary's Office DAILY DIGEST May 12, 1923.

Section 1.

The President Urges Economy

According to the press to-day, President Harding at yesterday's meeting of the Cabinet urged the heads of the Government departments to make every effort to hold down expenditures for the balance of the fiscal year, which will end June 30. (Press, May 12.)

Canadian Reciprocity on Agricultural Produce Proposed.

An Ottawa dispatch to the press to-day says: "Reciprocity with the United States on agricultural produce was proposed in the House of Commons May 11 by the Hon. W.S. Fielding, Minister of Finance, in connection with the introduction of his annual budget. The proposal was in the form of a resolution inserted in the form of the budget bill, reading: 'If the President of the United States, under authority of the United States Tariff act of 1922, determines to reduce by 50 per cent the duties imposed by such act on the following articles, that is to say, cattle, wheat, wheat flour, oats, barley, potatoes, onions, turnips, hay, fish as enumerated in Paragraphs 717, 718, 719 and 720 of the said Tariff act of 1922, the Governor-in-Council may make such reductions of duties on similar articles imported into Canada from the United States as may be deemed reasonable by way of compensation for such reductions on Canadian products imported into the United States.' ... The manufacturing provinces of Eastern Canada went strongly against the proposals, though these covered only agricultural products, as they declared that would be but the opening for reciprocity in industrial products later. The agricultural provinces of the West supported the reciprovity proposals. ... "

Grain Rates

Western grain-growing States brought their complaint against railroad rates on grain and grain products to the stage of final argument May 11 before the Interstate Commerce Commission. C.B. Hutchings, representing the American Farm Bureau Federation, appealed to the commission for the reduction. He cited tremendous increase in farm mortgages in the West as an example of agricultural depression which might be in part held against the freight rate levels. Clyde M. Reed, chairman of the Kansas Utilities Commission, contended that grain prices had fallen to a point which in the face of maintained railroad rates, had resulted in the transportation charge becoming unfair.(Press, May 12.)

World Relations

The press to-day states that a plea that the United States revert to the "spirit of broad internationalism which characterized her conduct of the World War" was made at the annual meeting of the American Academy of Political and Social Science at Philadelphia yesterday.

U.S. May Sue Harvester Co.

Suit to compel the dissolution of the International Harvester Company as a combination in restraint of trade was understood May 10 to be in the course of preparation by the Government, according to The Journal of Commerce for May 11.

Section 2.

Agriculture

Dudley Alleman, editor of The Maine Farmer, in a letter in to-day's New York Times says: "Never before have city dailies contained so much editorial comment upon the agricultural situation and on rural conditions. Many of these deductions, however, are entirely unhampered by even the slightest knowledge of the subject. This makes your sane editorial in last Friday's Times about the revival of farm prosperity all the more gratifying. Your statement that crop yields in 'the agriculturally worn-out' East surpasses those of the rich prairie lands of the West is absolutely correct, though it will doubtless amaze many of your readers. But do you not make the common mistake of assuming that increased yields mean increased cash returns to the farmer? All too often this is not the case. In normal crop years there is an overproduction of all staple agricultural products. Simple economics then decreas that each additional pound or bushel shall further 'bear' the price of that commodity. Your statement that the secret of future farm prosperity must come through cutting the cost of production is true, but the sale price of the farmer's product has also an important part in the equation. Decreased cost per unit of production is best achieved by increased production per acre and per individual. The inevitable result of the present situation is the elimination of marginal farms and marginal farmers, which in turn results in the drift to the cities. But instead of being the calamity that most writers picture it, this is the only possible salvation of an industry which is, and has been for some time, a long way past the point of diminishing returns."

Cooperation in Denmark

Harald Faber, Danish Agricultural Commissioner in London, said in a recent address before the Foreign Press Association there: "Danish agriculture in its present development is based on three main systems: 1. System of Land Tenure, 2. System of Education, 3. System of cooperation. ... There is now a whole complicated network of agricultural and cooperative societies, beginning with the local society in the parish. It is characteristic of Danish cooperation that each society undertakes only one thing, either to purchase feeding stuffs, to make butter, to hold shows of livestock or similar. It, therefore, is no rare thing to meet a Danish peasant who is a member of ten to twelve societies. Then the many local societies of each kind within each province form an association, and these again form an association for the whole country. We have thus a central association for dairies, one for bacon factories, one for purchasing manure or feeding stuff, and so on. These together form the central cooperative committee. Similarly, the local agricultural societies form provincial associations and these again a central agricultural association for the whole country and, finally, all these associations have recently formed the Central Agricultural Council. ... Many of our cooperative undertakings have succeeded, in spite of keen competition, by applying a principle of strength which may be a national Danish development of cooperation. This principle is the voluntary mutual obligation of the cooperators to deal through their cooperative society; for instance, farmers undertake for a definite period of seven or ten years to send all their milk to the cooperative dairy, all their pigs to the cooperative bacon factory, to buy all or a definite proportion of their manure or

feeding stuff from their cooperative purchasing society. No competition can succeed against that principle. Somebody has prophesied that this, the 20th Century, is going to be called the Century of Cooperation. Others have tried to make it the Century of Trusts. All attempts to break the power of trusts by legislation have failed. Cooperation with the principle of voluntary mutual obligation to deal through the cooperative societies is an efficient antidote against trusts and I think the only one as yet practiced with success." (Danish Foreign Office Journal, April.)

Farm Prices

Farm and Ranch for May 12 says in an editorial: "Because of the great increase in cost of labor and necessities in farming, unless the 1923 crop brings to the producer around 25 cents per pound he will find his bank account in the red. Overproduction is sure to bring disaster; a yield to fit an active demand will enable the farmer to bank a reasonable profit above the cost of production."

Immigration

The Rural New Yorker for May 12 says in an editorial: "We talk with people who express surprise that so many farmers are opposed to unlimited immigration. Why, they say, farmers complain that they cannot obtain labor; why, then, do they not open the doors wide and let European labor flock in? All this sounds plausible, but farmers know that the class of people now coming from Europe would not help the farm labor situation. Europe is not sending good farm laborers. There is great need of food over there, and all who can work on the land are given inducements to stay. It is doubtful if there ever was a time in many parts of Europe when a working man with limited capital could more easily secure land than now. It is evident that large sums of money are being sent back from this country to buy land in Europe. Now and then some group of farmers arrive here from the other side, but they have capital. They will work their own farms and hire labor themselves. Open the gates wide and there would be a rush of cheap, unskilled labor for work in mines or shop or on railroads, or large operations. This would benefit the great contractors, but it would give little or no help to farmers. Our cities and industrial towns are already too large. What we need is higher quality in our immigrants -- not greater numbers."

Railroads

New York Commercial for May 10 says in an editorial: "The one big outstanding fact in the discussion of railroad problems in Tuesday's Commercial was that we already have public ownership of the railroads -- not Government ownership, which is quite a different thing. As several have remarked since, if that fact can be put over so that the public realizes it there will be a different attitude toward those who are seeking their destruction. This particular phase of the problem was dwelt upon by several writers representing both shippers and farmers. It is encouraging that the farmers in particular have spokesmen who are looking at the question from this broad and enlightened standpoint. As a matter of fact those who regard the farmers as antagonistic to the railroads as such are much mistaken in their attitude. They are no longer portrayed as the 'hicks' of a generation ago, if they were then. ... Yet even allowing that in former days there was a lack of familiarity with city ways and city progress, it is all of the past. The

automobile, good roads, the movies, the telephone, and now the radio, place the farmer in instant and continuous touch with his neighbors in the cities with the result that the rural communities are strictly up to date. Farmers instead of blowing out the gas have their own acetylene plants or more likely manufacture their own electricity with dynamos driven by gasoline engines. Those who trade on their fancied ignorance will soon find themselves to be the ignorant ones. The farmers are quite capable of doing their own thinking if they can be supplied with the facts. Fortunately there are some of the farm publications that feel their responsibility and are determined to supply the facts. Unfortunately there are others of wide circulation that cater to class prejudice and do not hesitate to distort the facts."

Section 3.

Department of Agriculture

New York Produce Review and American Creamery for May 9 says in an editorial: "It is unnecessary to present further argument in respect to the importance and great commercial value of a standardization of eggs adaptable to all sections. The fact is palpable. And there are reasons for concluding that Governmental standardization affords the most promising means of securing uniformity. Standardization to be practically useful requires inspectional facilities at all points where the accepted specified grades are used in making deliveries and it is probable that such facilities, adequate to the need, can only be provided by the Government, although it is possible that they might be supplemented by inspection departments of such trade organizations as might accept the standardization as governing transactions under their own trading rules. Such acceptance is, we believe, important if not really essential to a practical uniformity and it is extremely desirable that any method of standardization and grading established by the Government shall be such as to encourage adoption and support of trade organizations. ... In respect to the limit of shrinkage specified for the various grades proposed by the Bureau of Agricultural Economics, expressed in measure by sixteenths of an inch, we believe the limitations should be more stringent in all the higher grades. ... Our own observation leads to the belief that a scientific and most useful classification and grading of eggs should begin with a definition of the various qualities of the individual eggs by which all merchantable eggs can be placed in a series of named grades, and including a definition of such as are inedible. That certain tolerance be then established for packers or lots of eggs offered under those named grades -- preferably expressed in definite numbers of eggs rather than percentages -- and that certain less tolerances be established for all the same grades offered as 'candled.' This plan would, we believe, make the simplest method of grading possible, applicable to wholesale trading in original packages of packers' grades and equally to trading in eggs candled to the requirements of final outlets. It will be long (if ever), we believe, before packers' grades can, at most seasons of year, go into final channels of retail trade without recandling, but so far as that can be accomplished the definition of candled grades would encourage the effort."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 11: Wheat prices dropped sharply through lack of adequate support on liquidation selling. Seeding in Northwest making good progress. Corn affected by weakness in wheat and broke sharply. Chicago July wheat lower at $1.15 1/2; Chicago July corn lower at 78 1/8¢. No.2 red winter wheat in Chicago cash market $1.28; No.2 hard winter wheat $1.19; No.2 mixed corn 82¢. No.2 mixed corn in Central Iowa 68¢.

Chicago hog prices about steady, bulk of sales $7.40 to $7.85. Beef steers, butcher cows and heifers and bulls steady, medium and good beef steers $8.40 to $10. Fat lambs up 25¢ at $12.25 to $14.

Florida Spaulding Rose potatoes $7 to $8 per bbl. in city markets; $6 f.o.b. shipping points. South Carolina cabbage mostly $3 to $3.75 per bbl. crate. Texas Yellow Bermuda onions $2 to $2.75 per standard crate in consuming centers; $1.75 to $2 f.o.b. shipping points. Louisiana Klondike strawberries $3 to $4 per 24-pint crate in leading markets.

Butter markets continue steady to firm. Cheese markets fairly steady.

Movement of hay continues very light. Demand of small volume but active in most markets. Millfeed markets generally easier with demand moderate.

Spot cotton down 34 points closing at 24.80¢ per lb. New York May futures down 34 points at 25.11¢. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 11,	May 10,	May 11, 1922
20 Industrials	96.45	97.61	92.50
20 R.R. stocks	82.20	82.15	83.44

(Wall St. Jour., May 12.)

Section 1.

Cotton Reduction

A St.Matthews,S.C., dispatch to the press of May 13 says: "A campaign to induce farmers to plow up a portion of their cotton crop is contemplated by the American Cotton Association, J.S. Wannamaker, president, announced at St.Matthews May 12. Before making a decision, however, Mr.Wannamaker said the sentiment of the cotton belt and friendly interests generally will be sounded, and a questionnaire is being sent out, he announced, to thousands of individuals and concerns. He indicated that he favors a widespread movement to plow up at least one-third of the land now planted in cotton and to plant in its place food crops."

Labor Situation in South

A Columbia, S.C., dispatch to the press of May 13 says: "The labor situation in South Carolina is the most serious in many years, if not in the history of the State, according to W.T. Willingham, in charge of the United States employment bureau at Columbia. Labor is short for all kinds of work, he said."

A dispatch from Raleigh,N.C., says: "A labor shortage on the farms of North Carolina already is being felt, but the situation in this State is not as serious as in other sections of the South as a result of an exodus of negroes to the North, M.L. Shipman, State commissioner of labor and printing, announced May 12.

A Birmingham, Ala., dispatch says: "Leading negro editors and negro ministers of the Birmingham industrial district have joined forces with large employers of labor here to check the exodus of negro workers, which is said to have threatened a serious shortage of man power in mines and mills."

Potato Crop on Irrigated Lands

A Department of the Interior statement appearing in The Washington Post to-day says: "The recent unexpected pise in the price offered to the growers of potatoes in the Northwestern States which resulted in a rush on the part of farmers who had held their potatoes in storage to load them into cars for shipment directs attention to the place which the lowly spud holds among the products of the Interior Department's irrigated garden. Potatoes are grown on 20 of the 24 irrigation projects of the Reclamation Service, the area in this crop in a recent year totaling more than 51,000 acres, or 4.5 per cent of the total cropped area of all the projects. This acreage produced 9,914,000 bushels of potatoes, or an average of more than 190 bushels an acre, valued at $7,366,000, or nearly 15 per cent of the total value of crops grown. Four projects produced more than 1,000,000 bushels each, and one, the Yakima project, in the State of Washington, from 8,442 acres produced 2,356,886 bushels, or nearly 280 bushels an acre."

Canadian Potato Duty

An Ottawa dispatch to the press of May 13 says: "In retaliation for the increased duty placed by the Fordney tariff on Canadian potatoes, the duty on potatoes imported from the Unitited States was increased from 20 cents to 35 cents per 100 pounds in the budget presented to the House of Commons May 12. The new rate will be effective to-day."

Section 2.

Agricultural Exposition Building

Hoard's Dairyman for May 11 says in an editorial: "Agriculture is not asking for charity, but when a great city is benefited through the development of a great industry, it is no more than fair -- it is simply justice -- that she should encourage and help in the building of that industry. What is needed is a temple of agriculture and suitable buildings where various branches of agriculture may hold their expositions and they should be located in Chicago. With this equipment for serving agriculture Chicago would be the agricultural capital of the country. Here is an opportunity for a great city to serve agriculture and to serve herself. Will her business interests comprehend this duty and opportunity?"

Agriculture

The Saturday Evening Post for May 12 says in an editorial: "The losses of the farmer through the elements of nature are now being catalogued. ... Every scientific effort should be exerted to eradicate plant and animal diseases and protect crops from the vicissitudes of weather. But when the catalogued losses are translated into terms of money, then the proposal becomes grotesque. Let us assume the total money value of the products of last season was $14,000,000,000. Applying the figure for loss, the potential outturn would have been worth $20,000,000,000. The farmers were robbed by Nature of $6,000,000,000 -- a sum approaching that of the mortgages on the farm properties of the entire country. No wonder there is little money in farming! But the prediction is absurd, because it is assumed that the potential crop could be sold for the same price as the actual crop. If we had had a bumper crop of cotton, would the price have risen to thirty cents? If the potato crop had been larger than it was would even the low price have been maintained? Where are the markets that would have absorbed a half more produce at any comparable price, to say nothing of the same price? In such a suggestion, what becomes of the marginal theory of price, of our old friends supply and demand? It is from every point of view improper to suggest that adventitious losses in yields are translatable into money losses. And certainly it is pointless. ... The slump year of 1921 was the record year of export of farm produce. The only restoration of European market to which we can appeal was that of last year. We wish that large European market, we want a bumper crop to fill it, and we want it at good prices. The politicians of Canada, Australia and Argentina also want bumper crops to fill that same market at good prices. And the new economic policy of the Soviet Government is after the same thing. Senator Capper is quoted as believing that foreign markets can be increased by granting foreign credits. Possibly -- if we sell produce on credit, and Canada, Australia and Argentina are unwilling or unable to do so. We can beat them all on giving credit, if that is the game. Is that the game? Is remuneration for farming to be attained by using the national credit to sell produce? Is not profit for agriculture to be sought instead in better farming, securing from each acre and each animal a large outturn at lower costs? It is intensive farming, not exportive farming, that is the lesson of the day. Scientific farming, not political farming!"

Agriculture in Britain

Country Life (London) for April 28 says in an editorial: "A few years hence it is not impossible that the debate on agriculture which took place in the House of Commons last week will be regarded with amazement. None of the speakers rose to that imaginative elevation which sees the subject in its bearings and proportion. The most extraordinary paradoxes never seem to be appreciated by the House. For example, no one pointed out what a curious thing it is that the immense crop of potatoes grown last year turned out to be a misfortune to the cultivators. It is safe to say that they did not make out of that magnificent crop as much as they would have done out of a more moderate one. The potatoes, to a large extent, were not sold at all. They are sprouting now and preparing to rot in the pits. Nevertheless, as if to make the paradox very complete, it was complained that growers in Holland and other parts of Europe were exporting potatoes to this country. Now, it was surely reasonable to expect that this problem would have been faced and dealt with by the Minister of Agriculture, or some other authority. It was not; on the contrary, farmers, and well informed members of the House of Commons who are not farmers, accepted the result as a dispensation of Providence. They looked upon the occurrence as they might have done on a stroke of lightning which had destroyed a number of sheep. They were not without guidance and warning on the subject. When the Germans began to turn their attention to agriculture seriously, they recognized that farmers should be encouraged to plant potatoes on a liberal scale. It is obvious, however, that a plant, be it never so well grown, is finally at the mercy of the season, so that the grower who has taken measures to meet a usual demand may either be confronted with a crop much below or far beyond his calculation. Now, the practice of the farmer is to cut his losses. If he has suffered from having too many potatoes one year, he will devote a smaller area to the crop for the following season. This would not be the case, however, if there was any profitable way of disposing of the surplus. The German statesmen recognized that, and gave facilities for manufacturing commercial alcohol from the overplus, and that was only one method by which they maintained that great production of foodstuffs, which has again and again been quoted and referred to since the publication of the facts by Professor Middleton.

"Another matter worth attention is the statement made by Sir Robert Sanders, that allotment-holding has become so popular that at the present moment there are, roughly speaking, a million allotment-holders in this country. Sir Robert appreciated the importance of this, but his complacent references carried very little instruction with them. No doubt, he recognizes the immediate value of this enthusiasm, mostly on the part of townsmen, for cultivating little plots of land. Everyone recognizes that digging, sowing and cultivating generally form one of the healthiest occupations in the world. Gardeners are the longest lived of all classes. The mere fact that great numbers of townsmen find pleasure as well as profit in working their holdings in the open air is highly satisfactory. It means an increase of our home-grown food supply and, what is even better, an improvement in the physical well-being of those who have, perhaps, in the past lounged away their leisure; but surely there is more in it than all that. ... "

Crop Control

Hoard's Dairyman for May 11 says in an editorial: "We see no objection to suggestions that fewer acres be devoted to cereals, less livestock and animal products produced, but such advice does not carry very much weight. If farmers knew the cost of production and all of them were students of their business, and the weather man was capable of forecasting the season, and the statistician able to determine the demands for farm products, then such advice would be timely; in fact, very helpful to agriculture. With our present knowledge of weather conditions and consumer demand and the attitude of the farmers, about the only argument that brings about a change in crops and production is price. ... When we try to control the activities of over six millions of farmers, we are attempting very nearly the impossible. The time may come when we will have such control, then it will be possible to limit the production of farm products to meet the demands of the consumer. Until that time comes, price will be the most effective factor in regulating the production of farm products."

Forest Industries Club

A Forest Industries Club, proposed to include representatives of all industries interested in the use of forest products, such as lumbering, publishing, printing and similar groups, has been formally launched in New York. An organization committee is being formed, which will include some of the prominent paper manufacturers in the United States, and the enterprise has progressed so far that a booklet, outlining the plan for a club, has been printed and is being sent out with invitations to prospective members. The proposed club is in a large measure the result of work initiated several months ago by the American Paper and Pulp Association for such a gathering place. (N.Y.Times, May 12.)

Immigration

The Baltimore Sun for May 8 says in an editorial: "In a period of marked industrial expansion it is inevitable that there should be a drain of labor from the farms. Once the floating population in the cities has been absorbed by industries with filled up order books, manufacturers turn naturally to the rural districts for a supply of men. The result is often to cause the farmer temporary difficulty. He cannot expand or contract production as readily as the manufacturer. The demand for his produce is relatively stable. And for these reasons he is often unable to hold his necessary labor by a rapid adjustment of wage rates. ... Unquestionably the situation is a difficult one for the farmer, and the present immigration act, preventing the problem from being met by the dangerous method of flooding industry with cheap and ignorant European labor, is likely to make it more difficult. One does not need to be a prophet to foresee much local inconvenience on the farms before the so-called 'labor market' adjusts itself to new conditions. Nevertheless, the situation has its good points from the national viewpoint. The high wages now being offered for labor will help to check overproduction of the sort which customarily brings a smashing depression on the heels of a boom. Without overproduction the drain on the farms is not likely to be very severe, and while the farmer may have to raise his wage rates somewhat to keep his men, such increases are unlikely to outweigh the share of increased national prosperity which should come to him. Nor is it apparent as yet that the movement from Maryland farms has reached a stage which can be called disconcerting. ... The average worker will continue to prefer a sure thing in his home district to a glittering but uncertain offer far away."

Section 3.
MARKET QUOTATIONS.

Farm Products

For the week ended May 14: Chicago hog prices ranged from 20 to 30¢ lower than a week ago. Beef steers and butcher cows and heifers largely 25 to 50¢ higher, other classes generally steady. Fat lambs 75¢ to $1.25 higher; aged sheep 50¢ to $1 lower.

Spot cotton prices declined 135 points during the week. New York May future contracts declined 139 points.

Movement all hay continues very light. High quality hay very scarce and prices firm. Demand of small volume but rather active in most markets. All arrivals of good hay readily taken. Millfeed markets generally easier. Demand very moderate. Supplies exceed demand and prices have declined especially bran, both spring and winter wheat bran.

Grain prices trended downward during the week with exception of 8th and 9th. For the week Chicago July wheat declined 2 3/8¢ net; Chicago July corn down 3/8¢. Bearish influences were lack of support and weakness in stocks, cotton and corn markets.

Closing prices in Chicago cash market: No.2 red winter wheat $1.25; No. 2 hard winter wheat $1.19; No. 2 mixed corn 80¢; No.2 yellow corn 82¢; No.3 white oats 45¢. Average farm prices: No. 2 mixed corn in Central Iowa 67¢; No.2 hard winter wheat in Central Kansas $1.03.

Butter market continued firm during the week due to an unexpected shortage of supplies.

Closing wholesale prices, 92 score butter: New York 43¢; Chicago 42 1/2¢; Philadelphia 43 1/2¢; Boston 44 1/2¢.

Cheese markets fairly steady with held cheese more active and firmer than fresh goods.

Prices at Wisconsin Primary markets May 11: Single Daisies 21 3/4¢; Double Daisies 21 1/2¢; Young Americas 21¢; Longhorns 21¢; Square Prints 21 5/8¢.

Florida Spaulding Rose potatoes 50¢to $1 higher in eastern markets, weaker in Pittsburgh and Chicago. Texas stock lower. Southern cabbage declining under liberal supplies. Texas onions nearly steady. Strawberry supplies generally liberal prices lower. Apple prices advancing. (Prepared by Bur. of Agric. Econ.)

Industrials and Railroads

Average closing price	May 12,	May 11,	May 12, 1922
20 Industrials	95.40	96.45	92.93
20 R.R. stocks	81.68	82.20	83.90

(Wall St. Jour., May 14.)

Section 1.

A.F.B.F. Economic Conference Program

H.W. Moonhouse, Director of Research, American Farm Bureau Federation, has completed a tentative program for the agricultural economics research conference for Middle West States, which will be held in Chicago on May 18. O.E.Bradfute, president of the American Farm Bureau Federation, will be chairman of the conference. W.A.Schoenfeld, Director of Market Research, U.S.Bureau of Agricultural Economics, will explain the New England Research Council on Marketing and Food Supply. Taxation will be discussed by John O.Watson, statistician of the Illinois Agricultural Association; Market and Mortgage Financing by Ivan Wright, Professor of Agricultural Economics, University of Illinois; Transportation by C.B.Hutchings; Director of Transportation of the American Farm Bureau Federation; Central Market Distribution by Fred E.Clark, Professor of Marketing, Northwestern University; Farm Income and Production by E.G.Nourse, Professor of Agricultural Economics, Iowa State College; Relation of U.S.Department of Agriculture to Research Work in Mid-West States, by H.C. Taylor, Chief, U.S. Bureau of Agricultural Economics; State Departments of Agriculture by C.P. Norgord, Commissioner of Agriculture for Wisconsin; City Chamber of Commerce by B.H.Heide, Chairman, Agricultural Committee, Chicago Association of Commerce; Railroad Commissions by Dwight Lewis, president, National Association Railroad and Utilities Commissioners, and Bankers' Associations by Burton M.Smith, Chairman, Agricultural Commission, American Bankers' Association. (A.E.B.F. News Letter, May 10.)

Immigration

The flow of immigration to the United States which for the last 15 years has been chiefly from Southern and Southeastern Europe is now finding its origin in Western and Northern Europe, which supplied this country with its first settlers, W.W. Husband, Commissioner of Immigration, declared last night before the convention of the National Association of Travelers' Aid Societies in session at Washington. The change is due to the recent immigration restrictions, he said. The British Isles, Germany,Holland and the Scandinavian countries are now sending full quotas to this country. (Press, May 15.)

Hybrid Wheat for Britons

Cheaper and better bread for English households is the aim of the Plant-Breeding Institute at Cambridge, where science is striving to "strengthen" English wheat and cheapen the loaf. The world has been ransacked for wheats of the best kinds, and those from Tibet,Persia,Abyssinia and elsewhere are being grown. Fourteen years of experimental work has evolved the "Yeoman" type, built upon cross-breeding with heavy English varieties, and, according to The Daily Chronicle, this is equal to the best imported wheat. Efforts are being made to increase the number of grains in a stalk of wheat, and, while thirty distinct hybrids breeding true are being tested, it is found that, whereas four grains of the English varieties have developed from seven or eight flowers, the Szechuan district of China has wheat in which every flower makes good. Hybrids of Chinese and English parentage have been evolved to get the best of both. (N.Y. Times, May 13.)

Section 2.

Americans in Canada

The Canadian Pacific monthly review for May says: "It is estimated that there are approximately one million people in Canada who were born in the United States, or about 12 per cent of the Dominion population. Most of these are to be found on farms in the Western Provinces. Nearly one hundred million acres of Western Canadian land has been settled by homesteading, and citizens of the United States have accounted for 30 per cent of such settlement as against 20 per cent on the part of British. In addition, United States citizens are each year the heaviest purchasers of privately held and improved lands and farms. ... A single instance may illustrate what American farmers are doing for Canada whilst furthering their own best interests. In the middle of March, R.Ebert, a farmer of Lewiston, Minnesota, left for Manitoba, where he had acquired land. He sold out 90 acres of his Minnesota land at $200 per acre and about 160 acres at $150 per acre, having $46,000 to invest in his new farm, which consists of 720 acres, all cleared and in crop for several years, but which he nevertheless secured at an acreage price of less than half at which he sold any of his American land. The inducement which is annually luring American farmers to Canada is the possibility of acquiring at very cheap rates land which is not only equal in every respect to the highly held farm lands of the United States, but which every year outyield them in most crops. ... Each year settlement and cultivation are effecting substantial increments in the prices of Canadian farm lands. The average acre of Canadian farm land which was worth $31 in 1908, had risen to $35 in 1915, was sold for $41 in 1918, and $44 in 1922. Taking Alberta prices as an average for the Prairie Provinces, where most United States farmers locate, the average occupied farm could be bought for $19 in 1908, in 1915 it was necessary to pay $23, and in 1922, $24."

Business Conditions

The Economist for May 12 says in an editorial: "Anybody with the slightest gift of perception must have suspected by this time that the precision which marked the arrival of the recent slackening in business on the very heels of the numerous warnings broadcast by leaders in many different enterprises must have been intended to accomplish some definite purpose. It is quite simple to assign this campaign of conservatism to the altruistic instincts of so-called big business and let it go at that, but this still leaves something to be explained. ... With all due seriousness, we believe the motive behind this campaign of conservatism is something to which we have alluded before, namely, that even the biggest and most far-sighted of our business leaders have overlooked until now the potentialities of America as a producing and consuming unit, self-contained, which never before has enjoyed its just measure of prosperity simply because big business has taken for granted that financial panics were a necessity, an unavoidable evil, which could not be mitigated by any human power. There is much talk nowadays, as we have said before, of an early end to the present prosperity. But the fact that America is right now consuming more oil than it produces, consuming more sugar than it produces, consuming as much steel, as much copper, as much zinc and lead, as much drygoods and as much rubber as it can manufacture or produce reveals the fact, which would have been astounding two years ago, that even with extended units built for war production, the vast population of this country still furnishes a market, on a sound gold money basis, better than the whole world furnished us before the war when our money was at a discount in many countries. ..."

Cotton

The Wall Street Journal for May 14 says in an editorial: "What is the future of cotton? This is an anxious question at the present time, and a reader addresses a very pertinent inquiry as follows: 'I notice in your editorials on cotton that you continue to be bullish. Apparently one of your principal arguments is the present world consumption of 13,000,000 bales. Do you not consider that this contemplated consumption can be very easily reduced if 30-cent cotton and increased wages force the spinners to charge prices for the finished goods which will invite public boycotts?' This question, which goes to the fundamentals of the situation, has been repeatedly noticed in this newspaper. The Wall Street Journal has always based its conclusions upon the law of supply and demand. Its answer, therefore, must be, yes. If 30-cent cotton and increased wages force the spinners to charge prices for finished goods that will invite public boycotts, the contemplated consumption of 13,000,000 bales would be reduced. There is a great scarcity of American cotton, and, following the usual law, prices should advance until they reach such a height as to check consumption. Users of raw cotton are always bound to consider what the purchasers of goods will pay as well as the price they pay for the raw material. When price passed 30 cents the consumers' limit had not been reached, and cotton was headed for higher levels. The sugar suit, in substance charging that it was a violation of the law for an exchange to register advancing prices, had an unsettling effect. An official estimate of the intended acreage raised hopes of a large crop. These with talk of the effect of cold on the weevils, warnings of over-expansion of business and increased wage demands, had a depressing effect, which started liquidation. People do not buy on a falling market and demand for goods slackened. ... Labor is the uncertain factor in the cotton situation. If it is reasonable and does not try to raise prices against itself, there is a likelihood that for this year at least business will be active and the output of manufacturers large. Purchasing power of consumers is large, and the price index now indicates stability and, probably, slightly higher prices. On the other hand, there is no assurance of a crop of 13,000,000 bales. In present circumstances The Wall Street Journal would consider a large acreage a crop reduction factor, and, if weather is normal, expects a heavy weevil infestation. Beyond this it does not care to predict the size of a crop not yet planted. It hopes for 13,000,000 bales but expects less."

Farmers and Sugar Boycott

Facts about Sugar for May 12 says in an editorial: "It is noteworthy that among one very important class of consumers little or no encouragement has been extended to the frenzied attempt to boycott the sugar industry and to stampede the public into discontinuing the use of one of its most valuable food commodities. In the agricultural communities of the country there have been no parades and no indignation meetings addressed by notoriety-seeking agitators or misguided zealots. The farmers of the country are still able to do their own thinking and they do not think kindly of the boycott as a weapon with which to attack an essential food industry. They understand that the production of sugar is an agricultural calling, that sugar is grown in more than half the States of the Union and in our insular territories by farmers, who, like themselves, have had scant sympathy or assistance in the many seasons when they have been forced to sell their crops for less than the actual cost of production. ... "

Motor Trucks on Farms

Motor trucks are being increasingly used in the rural section of the country. A survey just completed by the National Automobile Chamber of Commerce, in collaboration with country agents brought out the fact that 136,308 motor trucks were in use on farms in the 1,218 counties surveyed, and Missouri reported 13,803 motor trucks, Pennsylvania 12,631 and Iowa 7,318. (Press, May 13.)

Potato Marketing in Northwest

A Minneapolis dispatch to the press of May 12 says: "Helped financially by business interests of this city and St.Paul, potato growers of the Northwest have launched an organization to handle their own product on the market, working under a new State law which compels all members to contract their entire crop for five years to the central association."

Production

The Price Current-Grain Reporter for May 9 says in an editorial: "The way of relief from overproduction of farm products in this country is not to cut acreage; nature and consumption will adjust the supply automatically if left alone to severally function. But there should be no artificial stimulus to open new farms until there is permanent evidence that more farms are needed to supply the domestic consumption and a profitably exportable surplus. Our farmers' present predicament is due to the farmers' and speculators' land hunger in the past; and every land law made by Congress for a hundred years has been dictated by that land hunger. The men on the land now can't stop production unless they abandon the land and their occupation for another. But there is no justification for creating new farms until they are needed; and every scheme in Congress which takes lands from the national domain by irrigation or drainage schemes to make more farms until needed, is a crime against the Nation and the farms that are now going concerns."

Tariff Reciprocity

Referring to the suggestion of the Canadian Minister of Finance that his Government enter into negotiation with the United States with a view to arranging tariff reciprocity, The Journal of Commerce for May 14 says: "It is obvious that both this country and Canada would in the long run be greatly benefited by such an arrangement. Whether the President is possessed of the necessary authority under existing law to consummate any such agreement is another and quite different matter. What some of our subsidy loving agrarians are likely to say to this suggestion is unfortunately likewise another and different story. But the fact remains that the rank and file of the people of both nations would be decided gainers by any policy that encouraged rather than attempted to stifle normal and perfectly legitimate trade between this country and our neighbor to the North. Nobody whose opinion is worth considering would suggest for one moment that all sorts of impediments ought to be placed in the way of the Kansas farmer who wishes to sell his products to the people of the State of New York, or that the manufacturer whose factory is located in New England should be discouraged in every possible way from marketing his goods in the Middle West. In fact, the interchange of goods between States was and is so obviously to be desired that we thought it wise to prohibit interstate tariffs by a Constitutional provision. If it is to the advantage of both States for the grain grower of the Dakotas and the textile manufacturer of Massachusetts to exchange wares, why would it not be similarly beneficial to all concerned for the

Canadian and the American to do likewise?"

On the same subject, The New York Times to-day says: "Mr.Fielding may be called the Canadian father of reciprocity. It was he who negotiated the treaty in 1911, which, owing to internal political complications in Canada, was finally defeated. ... There is every reason why it would be absurd for Canada and the United States to embark upon a tariff war. There is no geographical barrier between the United States and Canada, and the facility of intercommunication is such that the free and uninterrupted interchange of products between these two nations is to the advantage of both. America needs Canada and Canada needs the United States. During the year 1922 nearly 40 per cent of Canada's exports went to the United States and more than 65 per cent of her imports came from this country. Canada can well absorb more American goods, and the United States can offer Canada a much greater market for certain of her products."

U.S.Government Statistics

The United States Bureau of Efficiency has recently published a pamphlet entitled "Guide to Original Sources for the Major Statistical Activities of the United States Government." This guide was compiled in connection with the bureau's investigation of the statistical work of the Federal Government. The purpose of this publication is to furnish to persons the names of the branches of the Government service engaged in the collection and dissemination of statistical information under each subject covered by the statistical activities of the Government. The guide also tells how often the statistics relating to any given subject are published by the office conducting the original research. (Press statement, U.S.Bur. of Efficiency, May 15.)

Section 3.

Department of Agriculture

The Sioux City Livestock Record for May 12 says in an editorial: "In the face of the generally conceded big crop of hogs the need of the hour is a broader demand for pork and pork products at home and abroad, says the Omaha Journal-Stockman. ... Here is a wonderful opportunity for the constituted Government agencies to do constructive work for the stock farmers in opening up new fields for American farm products. The country is taxed to death to maintain these agencies and the present situation offers a fine chance for them to demonstrate what they are good for. America has a big surplus of pork, and between the Department of Agriculture and the Department of Commerce they should be able to suggest some profitable disposition of this surplus. ... Producers would certainly applaud a more liberal, progressive and constructive policy on the part of the Government toward the meat packers, big and little, with a view to expanding the markets for the products derived from livestock grown on American farms."

Section 4.

MEETINGS

A meeting of the Library staff of the department will be held Thursday afternoon, May 17th, promptly at 4:30 in the Reference Room of the main Library. Talks will be given by Miss Emma B.Hawks and Miss Mary G. Lacy on the A.L.A. conference at Hog Springs.

Section 5.
MARKET QUOTATIONS.

Farm Products

May 14: Chicago wheat started strong on the 14th but ran into selling influence by liquidation and weakness in oats market. Short covering checked decline and brought about good rally. Corn declined with oats but recovered later and closed fractionally higher.

Chicago July wheat higher at $1.15 1/4; Chicago July corn higher at 78 3/4¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.29; No.2 hard winter wheat $1.20; No.2 mixed corn 80¢; No.2 yellow corn 81¢; No.3 white oats 44¢. Average farm prices: No.2 mixed corn in Central Iowa 68¢; No.2 hard winter wheat in Central Kansas $1.03.

Chicago hog market opened steady to strong, bulk of sales $7.40 to $7.90; medium and good beef steers 10 to 15¢ lower at $8.35 to $10.00; butcher cows and heifers generally steady to strong at $5.00 to $9.85; fat lambs 25 to 40¢ higher at $12.75 to $14.40; yearlings $8.00 to $12.50; fat ewes $4.25 to $7.50.

South Carolina Wakefield cabbage $2.75 to $3.75 per barrel crate in eastern markets, Virginia pointed stock $3 to $3.25 in Boston. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in city markets, $2 f.o.b. shipping points. Florida Spaulding Rose potatoes $7.50 to $8.50 per barrel consuming centers. North Carolina Klondike strawberries 15¢ to 27¢ quart basis in eastern cities, $3 to $6.25 per 32-quart crate wagonloads cash to growers.

Closing prices 92 score butter: New York 43 1/2¢; Philadelphia 44¢; Boston 44 1/2¢; Chicago 41 1/2¢.

Spot cotton prices up 69 points, closing at 25.58¢. per lb. New York May future contracts up 97 points, closing at 26.23¢. (Prepared by Bur. of Agric.Econ.)

Industrials and Railroads

Average closing price	May 14,	May 12,	May 14, 1922
20 Industrials	96.91	95.40	92.08
20 R.R. stocks	82.71	81.68	83.48

(Wall St.Jour., May 15.)

For Secretary's Office DAILY DIGEST May 16, 1923.

Section 1.

Labor Situation

There is very little unemployment in any part of the United States, and in all industrial centers there is an increasing demand for all classes of skilled labor, skilled mechanics and farm hands, according to a report made public May 15 by Francis I. Jones, director general of the Employment Service of the Department of Labor. "A digest of the reports received," says the report, "indicates that there is very little unemployment in any section of the United States. The predicted shortage of competent farm labor is now already a fact, and in many sections of the country the farming interests are being severely hampered by the inability to secure labor for farm work. In the South and Southwest they are experiencing for the first time a situation which is causing alarm, as large numbers of men who have always worked on farms have migrated to the larger cities, securing immediate employment in the various industries which are having trouble to find sufficient labor to meet their demands." (Press, May 16.)

Tobacco Prices

A Richmond dispatch to the press to-day states that Virginia tobacco growers realized approximately $42,000,000 from the 1922 crop, according to final reports of the season issued by the Virginia crop reporting service. The 1921 crop was valued at $19,000,000. The average price of the season for the 52,118,564 pounds of bright tobacco and 27,017,453 pounds of dark leaf was $29.31 a hundredweight for bright leaf and $18.81 for dark, compared with $20.14 and $18.66 last season.

Harvester Case

According to the press to-day, the Department of Justic has taken up anew the Harvester trust case to determine whether there should be future action toward dissolution of the International Harvester Company and further scrambling of its subsidiaries. Officials said yesterday that no program of action had been determined upon as yet.

Packer Merger

Sioux City Livestock Record for May 11 says in an editorial: "Of course, by a peculiar circumstance, a big slump comes to the hog market about the same time the merger of the two packing companies is completed. But has there been any account taken of the law of supply and demand being one factor in this slump? There has been an enormous increase in numbers of hogs coming to markets -- the surprising increase has come just at a season of year when nobody looks for heavy marketing of hogs; also, this supply has come at a time when in the nature of the packing business the big packers would not care to see a big slump in prices for live hogs. They have a lot of product on hand that was made from hogs that cost a dollar and more per hundred pounds above the present price basis. If they are powerful enough to manipulate the price of live hogs, as it has been charged they are manipulating them, then why are they not powerful enough to do this manipulating at a time when it does not mean hundreds of thousands of dollars loss to them in prices for the hog product they have on hand? We fail in ability to get the logic of both ends to dovetail in the middle. In fact, we see no logic in the investigation that is now being conducted. The Morris packing interests have been bought by the Armours -- and we see no way to force Morris to go back into the packing business if he does not so desire. ..."

Section 2.

Agricultural Conditions

W.L. Ayers says in Chicago Journal of Commerce for May 14: "Observation of conditions through the records and investigations of a mail order house leads to the conclusion that the present prosperity is sound and, unless some unforseen factor intervenes, will extend at least through the remainder of 1923. That is the viewpoint advanced by Theodore F.Merseles, president of Montgomery Ward & Co., an institution with 5,000,000 customers, the major portion of them in agricultural districts. Mr.Merseles declares also that the farmer is not as bad off, financially, as he is sometimes painted, and points to the fact that Montgomery Ward & Co. is now averaging a 50 per cent increase in sales compared with last year. As it is the farmer upon whom the mail order house depends for business, a study of that business gives an accurate insight into the state of prosperity in the agricultural communities."

British Agricultural Policy

The Economist (London) for April 28 reviews the new agricultural policy of the British Government as follows: "The Government appears at last to have decided upon an agricultural policy. The decision has been reached by a somewhat circuitous route. The King's speech referred only to two specific subjects for alleviating the difficulties of agriculturists -- the provision of credit facilities and relief of local rates. A Departmental Committee on Prices was set up, and the fact that it was appointed by the Minister of Agriculture without reference either to the Board of Trade or the Ministry of Labour was an indication that the subject was to be investigated from the producers' point of view. ... Fitting together the mosaic of piecemeal announcements, it is now possible to form an idea of the lines of a policy for agriculture to which the Government is committed. In the first place, we may summarize negatively those proposals of the Agricultural Tribunal which the Government has rejected. They are: -- 1. The compulsory import of offals with flour. 2. An export duty on offals. 3. An import duty on hops. 4. The abolition of hop control. 5. The regulation of potato imports. 6. The establishment of wages boards. 7. A subsidy for the reduction of railway rates. The recommendation of the Tribunal in regard to the relief of local rates was also rejected by the Government, which has preferred to deal with the matter in a different way. The proposals of the Tribunal which the Government has adopted are: -- 1. A duty on imported barley, with a preference to the Dominions. 2. Loans for the erection of milk-collecting depots. 3. Exemption of home-grown sugar from excise duty. 4. Provision of credit facilities. The latter items have been, in effect, dealt with prior to, and independent of, the Tribunal report. The most substantial and immediate relief to agriculture is that given by the reduction of railway rates as from May 1st. ... The decision of the Government to reduce the assessment of agricultural land from one-half, as fixed by the Agricultural Rates Act, 1896, to one-fourth is, on the face of it, a substantial relief to farmers and landowners. ... The provision of credit facilities is the subject of a report by a special committee, upon which a scheme is now in preparation by the Government. The exemption from excise duty of sugar produced from home-grown sugar-beet has been for some time in force, and the responsibility of the present Government is limited, therefore, to the decision to maintain it. The principle on which it is justified is that of the protection of infant

industries, but the whole story of the prolonged attempt to establish the sugar industry by the help of the State is a tangled one which cannot here be adequately considered. ... The most significant proposal of the Tribunal, which the Government has accepted, is the imposition of a duty of 10 shillings per quarter on imported malting barley, with a preference of one-third on barley imported from the Dominions. ... They do not appear to have made any similar arrangement with the distilling industry, nor is there any indication as to the period during which the brewers have pledged themselves not to pass on the tax to the consumer. The most convinced believer in the altruism of the brewing industry cannot altogether overlook the fact that there are other means of making the consumer pay without recourse to the crude method of raising the price."

Business Conditions

Under the title "Causes and Cure of Business Depressions," Herbert J.Browne says in the Dearborn Independent for May 11: "There are as definite causes of business depressions as there are of business booms. But they are not, as economists generally claim, swings of the pendulum. If they were the pendulum would swing equally in both directions. Business should always boom, for business is the supplying of human needs, and human needs are always outrunning the capacity of business to supply. Therefore business depression is unnatural and business activity the natural expression of human needs. ... Business failures as reported are confined to banks, commercial houses, wholesale, jobbing, and retail, and to manufacturers. Mining companies in actual operation may get into the reports, though there is no uniform rule. Railroad receiverships, even though they may involve properties running into large millions and result in the wiping out of all the junior securities, are not included. Still more striking, no agency, not even the Federal Government in its painstaking census search for trivialities, has ever ventured to tabulate the foreclosures of mortgages on farms, homes and other forms of real estate. Yet here are figures which in times of depression dwarf all other forms of business failures in numbers and volume many fold. Were recorded chattel mortgages included in the discovery of foreclosures, the totals would give the public a cross-section of economic conditions which the ruling powers are most anxious shall be kept under cover. In one county in Colorado, 6,000 foreclosure sales were advertised in March. One other important factor is also outside the knowledge of the people. The Federal Government has spent millions of dollars, years of time, with the services of hundreds, yes, thousands, of the best experts and scientists available,to investigate and report on hundreds of subjects. It would take huge buildings to hold the libraries of printed matter which have resulted. Yet there is one subject that the Government has never investigated. This dangerous subject is "The Incidence of Taxation.' Who pays the taxes? A clear understanding of the effect of taxes as now imposed or withheld will explain fully the causes of business depressions, foreclosures, failures and economic troubles generally."

Cotton Consumption

Cotton consumed during April amounted to 577,396 bales of lint and 52,192 of linters, compared with 623,105 of lint and 51,745 of linters in March this year and 443,509 lint and 49,287 linters in April last year, the Census Bureau announced May 14. Cotton on hand April 30 in consuming establishments totaled 1,889,-218 bales of lint and 180,980 of linters, compared with 2,034,535 of lint and 169,509 of linters on March 31 this year, and 1,461,340

of lint and 176,490 of linters on April 30 last year. Cotton on hand April 30 in public storage and at compresses totaled 1,966,441 bales of lint and 53,656 of linters, compared with 2,377,799 of lint and 48,434 of linters on March 31 this year and 3,213,483 of lint and 118,556 of linters on April 30 last year. Cotton spindles active during April numbered 35,515,791, compared with 35,500,518 in March this year and 31,389,695 in April last year. (Press, May 15

Crop Reduction

The Wisconsin Agriculturist for May 12 says in an editorial: "It is our judgment that it is not a good plan to endeavor to decrease the acreage of wheat and we do not believe that farmers will be influenced by any kind of a campaign to that effect. The wheat farmers of this country will continue to sow about the same number of acres of wheat, but if there is any evidence that an effort is being made to reduce the wheat acreage many farmers will increase their acreage. Then, too, there is the possibility of drought and other serious troubles in Canada, the Argentine, Australia, and India, and again no wheat comes from Russia, and none will be exported from that country for a long time, so that wheat farmers generally will believe that it is wise to continue their wheat acreage. ... Eat up more of our surplus, thereby creating a better home market. Thoughtful people believe that this is a better proposition than to reduce the wheat acreage, for should famine, drought or other troubles appear in some of the above mentioned wheat countries there would be a world shortage of wheat and the farmer who had reduced his acreage would not have the wheat to supply such shortage. We may possibly be wrong on this question, but we are absolutely sure that if we were farming to-day we would not reduce the wheat acreage one single acre. We would continue to grow the same number of acres of wheat each year as we did when we were on the farm and as we did in the growing of other crops, believing now, as we did then, that the average price received for a term of years was the important point to keep in mind. The farmer may not make a profit growing wheat one year or two years, but the next year he may make money, but for an average of ten years, at least, he might get prices adequate to compensate him."

Experiment Stations

H. J. Waters says in an editorial in the Weekly Kansas City Star for May 9: "Western Kansas has institutions at Hays, Garden City, Colby and Tribune supported by the State and Federal Governments whose business it is to make tests for all the farmers of that region at no direct cost to them. ... One does not need to spend much time on the grounds of one of these institutions to be impressed with the importance of the work in progress there. And one cannot fail to be impressed with an important mistake in the management of some of the stations in devoting so much time to making certain departments of the institution pay a profit, a mistake for which those in charge of the institution are in no wise responsible. The practical returns from these stations would be far greater if the technical men employed at these institutions were allowed to devote all their time to practical experiments rather than so much of it in managing demonstrations which have little educational value and which at best few farmers see. The farmers of Western Kansas no longer need a model or demonstration farm, but they do need the results of practical tests made at these institutions. The greatest need of these stations is better equipment and more

financial support. With these forthcoming, since the farmers of Western Kansas now appreciate the value of these stations and follow their teachings more closely than before, there is no way of estimating their value in developing a new agriculture in Western Kansas."

Farm Labor

Weekly State Journal (Nebraska) for May 9 says in an editoria "When a Nebraska farmer cannot hire help with his grain and hay crops he can increase his pastures. In the fall, if there are no cornhuskers, he can 'hog husk' his corn or do the same with sheep. Our climate and soil are such that farming can be more extensive or more intensive according to labor and price conditions. Every 'hired man' in Nebraska might head into the automobile factories, and Nebraska agriculture still go on successfully. The product would be less, but not at the cost of deserted lands. We should simply change to products requiring less man power. It is different in the cotton States. There they cannot turn readily from their hand-hoed and hand-picked cotton to less laborious uses of the land. ... The rural North is losing its farm laborers because farmers cannot compete with factories in wages. This means ultimately less and higher priced food. The rural South is losing its cotto laborers for the same reason, but with these powerful additional incentives. This means higher-priced cotton clothing. But the South, unable quickly to turn its surplus cotton lands into range for livestock, bids fair to suffer by the change more keenly than the North."

Farm Prices

The Weekly Kansas City Star for May 9 says in an editorial: "So long as the farm price of food is only about a third of the price consumers pay for this material, the practical remedy would be for city consumers to concentrate their attention upon the problem of shortening the road between the farm and their kitchens It would be comparatively easy to cut the cost of food substantiall possibly as much as 25 per cent, without lowering farm prices. This would, of course, be a bother to city householders; they would have to buy with greater discrimination than now and cooperate to reduce distributing costs. Rather than adopt this feasible but somewhat troublesome plan, many persons grab at one that appears to be just as effective and much simpler, that of trying to beguile the farmer into raising more food."

Grain Exports

Grain exports from the United States last week amounted to 6,120,000 bushels, compared with 4,601,000 bushels for the week previous. Totals for the week as compared with those for the week previous, made public May 14 by the Commerce Department, were: Barley, 468,000 against 297,000 bushels; corn, 1,769,000 against 1,394,000; oats, 410,000 against 273,000; rye, 876,000 against 596,000; wheat, 2,957,000 against 2,041,000; flour, 269,300 barrels against 276,000 barrels. (Press, May 15.)

Pittsburgh Plus

American Farm Equipment for May says: "Encouraged by sentiment aroused by the various agricultural and commercial organizations of the State, in its recent session the Minnesota legislature appropriated $10,000 to fight the 'Pittsburgh Plus' practice of steel manufacturers. This is the first time that State action has been taken on this practice."

Section 3.

Department of Agriculture

Southern Agriculturist for May 15 says in an editorial: "Now the United States Department of Agriculture is working out a series of Federal grades for eggs. ... Soon there will be standard grades for every farm product of importance, and this will mean much more care in marketing and a much fairer price for products of high quality. ... So let the good work of standardization go ahead."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 15: Wheat fluctuated rapidly within small range but undertone was firm and prices closed unchanged to fractionally higher. General rains over winter wheat belt. Short covering in September corn and good buying of July by commission houses kept corn market on firm basis. Cash corn market firmer. Chicago July wheat same at $1.15 1/4; Chicago July corn higher at 79 1/8¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.30; No.2 hard winter wheat $1.21; No.2 mixed corn 81¢; No.2 yellow corn 82¢; No.3 white oats 44¢. Average farm prices: No.2 mixed corn in Central Iowa 68¢; No.2 hard winter wheat in Central Kansas $1.03; No.1 dark northern wheat in Central North Dakota $1.03.

Chicago hog prices opened steady to 10¢ higher than Monday's average, bulk of sales $7.45 to $7.90; medium and good beef steers $8.35 to $9.90; butcher cows and heifers $5.00 to $9.85; feeder steers $6.50 to $8.40; veal calves $8.50 to $10.75; fat lambs $13.00 to $14.65.

Florida Spaulding Rose potatoes $7.50 to $8.50 per barrel in city markets, $7 f.o.b. shipping points. South Carolina Wakefield cabbage $2.25 to $3.75 per barrel crate. Texas Bermuda onions $2.50 to $3.25 per standard crate in city markets, $2.40 f.o.b. shipping points in Texas upper counties. North Carolina Klondike strawberries $2.50 to $4.65 per 32-quart crate wagonloads cash to growers, 18¢ to 25¢ quart basis in city markets.

Spot cotton up 6 points, closing at 25.64¢ per lb. New York May future contracts down 24 points, closing at 25.99¢. (Prepared by Bur. of Agric.Econ.)

Industrials and Railroads

Average closing price	May 15,	May 14,	May 15, 1922
20 Industrials	95.95	96.91	92.63
20 R.R. stocks	82.22	82.71	83.34

(Wall St.Jour., May 16.)

For Secretary's Office DAILY DIGEST May 17, 1923.

Section 1.

Forest Need in Paper Industry

The value of the wood consumed by the paper industry of the United States is equal to all other raw materials used by the industry, including fuel, according to a statement made by Dr.Hugh P.Baker, executive secretary of the American Paper and Pulp Association, in an address before the sales conference of the Hammermill Paper Company. "The dependence of the industry on its woodpile can only be understood when it is realized that in round figures the paper industry of the United States alone expended about $250,000,000 for pulpwood and wood pulp in 1922, and all the other raw materials only about equaled that figure," said Dr.Baker. "That is the reason why the paper industry has been so active in its campaign for adequat measures to secure proper forestry practice in this country, and why the paper companies of the Continent are leading in the actual practice of forestry." (N.Y. Times, May 17.)

Fat Consumption

Fats of various kinds to the amount of 4,600,000,000 pounds, or an average of 43.8 pounds per person, are consumed annually by the people of the United States, according to F.M. Barnes, head of the edible oils and fats, division of the Proctor & Gamble Co. (Press, May 12.)

Sugar Costs

An Ottawa dispatch to the press of May 16 says: "President H.R.Drummond, of the Canada Sugar Refining Company, May 15 objected to furnishing a special House of Commons committee with cost-of-production figures of his company, when he appeared in protest against the clause in the budget which removes the duty on sugar when it reaches more than eight cents a pound. Such a measure which he termed 'a staggering blow,' might have grave consequences for Canadian sugar refiners, he said. The committee will decide in executive session whether the refiners will be required to furnish their production costs. Asked if there was a real scarcity of sugar in the world, Mr.Drummond said that if he were to say so, the inevitable result would be a further increase in price. Pressed for the facts, he said the crop this year was about 10 per cent less than last year."

Foreign Trade

The New York Times to-day says in an editorial: "The statement of our foreign trade in March, showing the imports of foreign goods in that month to have run $60,000,000 beyond the exports, is one of those incidents which appeal to financial imagination. Not only is this the first monthly import surplus since August, 1914, and not only does it contrast with such spectacular export surpluses as the $454,000,000 of December, 1920, and the $635,000,000 of June, 1919, but the March excess of imports over exports is actually the largest monthly balance of the kind that has ever occurred in our foreign trade. So extraordinary a reversal, especially when it has come in immediate sequence to the increase of duties in the Fordney tariff, must have great economic significance. ... "

Section 2.

Agriculture in the Northwest

The Journal of Commerce for May 16 reviews the address of Dan A.Wallace of St.Paul, editor of The Farmer, before the Down Town Association of New York, May 15, as follows: "Conditions in the great western agricultural district are still bad, Mr.Wallace said. While the South and the East have largely recovered from the effects of the deflation of 1920 the farmers in the West are coming back to normal conditions more slowly. At present relief is being sought in two directions, one political or legislative, the other economic. Only recently a convention was held in the Northwest to consider such subjects as Government price fixing, restriction of acreage and other artificial remedies. On the other hand, the farmers, in the cooperative marketing movement, are endeavoring collectively to apply business methods to their problems by grading and standardizing their products and having them marketed in an orderly manner so as to avoid glutting of markets and then experiencing periods of scarcity. Under this plan farmers agree for five years to turn over certain crops to the marketing organization to sell. It advances to the farmer about half the market price at the time of delivery to the association. It grades and packs the produc and markets it to the best advantage, selling immediately or holding it as may be best. Finally, at the end of the season or of the year, the association pays the farmer the balance due him, based upon the average price received for the classes of produce he turned in to the association. Asked by one of those present whether the restriction on immigration is affecting the farmers of the West adversely, Mr.Wallace said that they fear trouble at harvest time. Farm labor is now so high priced that many of the farmers are planting only such crops as they and their families can plant and cultivate themselves, but they expect difficulty in getting these harvested."

Cotton

New York Commercial for May 14 says in an editorial: "A shortage in the world's supply of cotton seems inevitable. The acreage in the United States is capable of expansion but the element of labor is one which puts a definite limit upon the cultivation of the crop and the ultimate gathering of cotton for commercial use. The most serious deterrent to increasing the cotton crop is the shortage of negro labor in the South. Since 1914, when the arrival of immigrants to this country from Europe was checked by the World War, there has been a demand for manual labor and for the rougher kinds of work in mills, mines, shops and on the railways, as well as for handling shipping freight, that has drawn negro labor from the South into almost every other State in the Union. The incentive to increase the cultivation of cotton in foreign countries has been keen and acreages have been greatly enlarged under the direction of the British cotton manufacturers and in the colonies of other foreign countries, but the results have not been commensurate with the costs involved. To judge of how serious the shortage in cotton may become, it is said by a London authority on cotton that the existing mills of the world, if operated on a normal basis, would require more than 16,000,000 bales of cotton annually. This authority states the situation pointedly when he says, 'I think it would be well if we were thoroughly awake to the truth, now realized in a dim and shadowy way, of the possibility,

amounting almost to a certainty, that the not very distant future will see such a shortage in the world's supply of cotton as will confront the greatest of our textile industries with the gravest danger. The importance of the subject is, I fear, very inadequately recognized in spite of all the beneficent activities of the British Cotton Growers' Association. Nothing could be more perilous than to ignore the dangerous situation.'"

Crop Reduction

The Davenport Democrat for May 11 says in an editorial: "George E.Roberts, vice president of the National City Bank of New York, cites the present situation in cotton as a demonstration that there has been no real need for the artificial curtailment of that crop in recent years. Any amount that might have been grown in 1921 or 1922 would have been wanted by 1923 or 1924. The agitation for restricting the acreage in corn in 1922 accomplished littl but is seen now to have been quite unnecessary. These examples are sufficient to show that attempts to regulate production by mass movements are likely to be colossal blundering. As a rule what is needed is not general restriction, but a proper distribution of effort. The individual farmer is the best judge of the policies suited to his circumstances. If, in fact, there should be a general overproduction of farm products, the remedy would not be in general curtailment, but by having some of the farm population enter other industries; but they should act on their own initiative, those changing who will make the least sacrifice by changing. A movement of this kind takes place naturally, and is less likely to run to extremes."

Freight Bills

The Michigan Farmer for May 12 says in an editorial: "Just who pays the freight? That is a question which can be easily answered. In manufactured articles, the consumer pays the freight; in agricultural articles, the producer does likewise. The farther the farmer is from his market, the less he gets for his commodity. The farther the auto manufacturer, for instance, is from his market, the more the buyer pays for his auto. The auto manufacturer is working on the f.o.b. basis while the farmer is working on the mob basis -- everybody for himself. The f.o.b. basis works -- with the raisin growers and fruit men of the West, for instance. Even here in Michigan, in the comparatively little industry of growing forced rhubarb f.o.b. is working much better than the ship-and-take-what-you-can-get basis."

Freight Rates

An immediate general reduction in freight rates on agricultural commodities, particularly bulk farm products of relatively low value, was demanded of the Interstate Commerce Commission May 15 by representatives of national farm organizations. The commission granted a private hearing to representatives of the National Grange, National Non-Partisan League, National Farmers' Union, National Milk Producers' Foundation, United Farmers of Montana and the Farmers' National Council. It was contended that the farmers were going out of business because they could not afford to ship their products at the present level of freight charges. No corresponding increase in rates on general commodities would be necessary to lower rates on farm products, it was argued, nor should there be a reduction in rates on agricultural commodities. High freight rates,

according to R.A. Haste, of the United Farmers of Montana, are slowly strangling farmers, stockmen and small business men in Montana and adjoining States. "As a direct result of the deflation of the prices of farm products brought about by the action of the Federal Reserve Board and the advance in freight rates," he said, "50,000 people have already been driven from the State, and nearly 100 banks have been compelled to close their doors within the last year. Unless relief be immediately afforded by the substantial reduction of the present freight rates another 100,000 people will have to leave the State and another fifty banks will have to close their doors within a year." (Jour. of Commerce, May 16.)

Rubber Restriction

The Journal of Commerce for May 16 says in an editorial: "The first quarter under the new British scheme for the restriction of rubber output ended May 1. During that period output was reduced to 60 per cent of so-called 'normal' on the theory that prices could thus be kept at or above 33¢ a pound, which it was thought would provide a fair rate of profit for the average plantation. At first prices rose to well above this figure, but before the quarter was over demand had become so slack in both the American and British markets that they fell below it, with the result that only 5 per cent more will be released in the coming quarter than in the last, although it was commonly thought when the scheme was first put into effect that prices would rise high enough to bring out 10 per cent more in the second quarter. The British seem to be satisfied thus far with the way the scheme has worked, although they freely admit that considerably more than the authorized 60 per cent of normal output was actually put on the market during the last quarter. The 'leaks' occur not only through the methods of issuing export licenses and coupons, which take the place of licenses for native planters who do not do any exporting on their own account, but also in the overestimating on the part of native planters of the size of their 'normal' output. Planters who are not in sympathy with the scheme, of whom there are a considerable number, especially among the natives, are thus given an easy opportunity to defeat its purposes and profit by the surplus that they can thus export."

Tariff Reciprocity

The Wall Street Journal for May 15, in an editorial on the reciprocity plan proposed by the Canadian Minister of Finance, says: "The price of our wheat and that of Canada is fixed by the law of supply and demand in the world market, where both countries sell their surplus. What the tariff markers failed to take into consideration is the increasing complexity of business. The United States can no longer confine its trade within its own borders, but its market is in the whole world. Instead of being a domestic matter alone, the depression of 1920 was a world-wide reaction from the consequences of the war. ... Cooperation of effort is becoming a necessity in this age. If the people of New England could get a ton of coal from Eastern Canada, why should Pennsylvania be thrown into convulsions? Manufactured goods would go to Canada to pay for it; increased manufactures would call for more wool, cotton, hides and other raw materials and foodstuffs, increasing the purchasing power of those who produce them. And larger trade means wider markets for all sorts of products. Canada is one of the greatest customers we have. When we spend one dollar there, Canada comes back here and spends two."

Section 3.

Department of Agriculture

New York Commerical for May 15 says in an editorial: "Two or three weeks ago Secretary of Agriculture Wallace called a conference in Washington of bankers, food distributors, cotton manufacturers, economists and others to canvass the agricultural outlook, and the result of this conference was a report to the effect that the outlook was pretty good, and that, among other things, farmers intended planting a larger acreage of cotton. J.S. Wannamaker, the highly regarded president of the American Cotton Association, and spokesman for the growers, resents the report largely on the ground that neither Secretary Wallace nor anyone else can formulate a basis for determining what farmers' intentions are. In this respect we agree with Mr.Wannamaker. It comes pretty near being impossible to forecast what any group of men will do unless there is ample precedent for action in any given circumstances. The Secretary and his committee probably based their supposition on the theory that high prices stimulate production, which is economic law. There must, however, be taken into consideration whatever modifying factors make their appearance. The natural tendency on the part of farmers when prices are high is to plant all the acreage they can in hope of realizing these high prices. They never do, because having increased the supply, prices are bound to go down. In the present instance, the increase in acreage is likely to be limited by the presence of the bobl weevil and by the shortage of farm labor. Just how great this handicap will be it is impossible to tell. Mr.Wannamaker believes Mr.Wallace has overestimated the increase in acreage and deplores this because he believes it has been taken advantage of by bear speculators to depress the price of cotton. At the same time he resents what he terms the paternalistic attitude of the Government in advising the people to curtail the consumption of sugar, which is also interpreted as playing into the hands of the bear speculators. We cannot go the whole distance in agreeing with Mr.Wannamaker in this regard. The Government shoubd be absolutely sure of its facts before issuing any statements, but when it has obtained accurate information it should then be made public, and in the natural course of events, bull speculators or bear speculators will benefit as the case may be. But we think Mr.Wannamaker and others are giving themselves undue concern over matters of this character. ... If farmers who still have cotton on hand are dissatisfied with the present prices let them refrain from selling at this time. Prospective acreage has nothing to do with present supplies.So far as we have observed, the Government has not issued any official statement in regard to curtailing the use of sugar. ... What we would like to impress upon Mr.Wannamaker, and upon others who hold similar views, is that they are becoming unduly excited over bear speculators and bull speculators. All that speculators can do is to stake their judgment on what the facts are going to be. If they guess right they win, and if they guess wrong they lose. They do not make the facts, and if they misrepresent them either wilfully or otherwise, they are bound to lose out, because the facts will assert themselves and those who are wrong on their facts are the losers. Neither a bull conspiracy nor a bear conspiracy can exert itself for more than the briefest space of time, and it is not worth while worrying about."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 16: Chicago trade in wheat broader on the 16th following small decline early and prices advanced readily with close around best prices. Main factors were: Continued wet and cold weather; numerous unfavorable reports from winter wheat territory and streng in corn. Cash market strong with extremely high receipts and no immediate improvement in movement expected. Chicago July wheat lower at $1.15 1/4; Chicago July corn lower at 79 1/8¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.31; No.2 hard winter wheat $1.23; No.2 mixed corn 83¢; No.2 yellow corn 86¢; No.3 white oats 45¢. Average farm prices: No.2 mixed corn in Central Iowa 69¢; No.2 hard winter wheat in Central Kansas $1.03; No.1 dark northern wheat in Central North Dakota $1.0

Chicago hog market opened strong to 10¢ higher, bulk of sales $7.50 to $7.95; medium and good beef steers $8.50 to $10.00; butcher cows and heifers $5.00 to $9.85; feeder steers $6.50 to $8.40; light and medium weight veal calves $8.75 to $11.00; fat lambs $13.25 to $15.60; fat ewes $5.50 to $10.00.

Florida Spaulding Rose potatoes $7.50 to $8.50 per barrel in city markets, $7 f.o.b. shipping points. South Carolina Irish Cobblers $6 in eastern markets. Texas and Alabama sacked Bliss Triumphs $5 to $6.50 per 100 lbs. in the Middle West. South Carolina pointed cabbage $1.75 to $3.75 per barrel crate. Texas Yellow Bermuda onions mostly $2.50 to $3 per standard crate in city markets. North Carolina Klondike strawberries $1.50 to $4.25 per 32-quart crate in wagonloads cash to growers. Virginia Klondikes 22¢ to 25¢.

Closing prices, 92 score butter: New York 43¢; Philadelphia 43¢; Boston 44¢; Chicago 41 1/2¢.

Spot cotton prices up 23 points, closing at 25.87¢ per lb. New York May future contracts up 25 points, closing at 26.25¢. (Prepared by Bu. of Agr.Econ.)

Industrials and Railroads

Average closing price	May 16,	May 15,	May 16,1922
20 Industrials	95.53	95.95	93.71
20 R.R.stocks	81.70	81.87	84.00

(Wall St.Jour.,May 17.)

For Secretary's Office DAILY DIGEST May 18, 1923.

Section 1.

Plant Plague Conference A dispatch from The Hague to The New York Times to-day says: "An international conference of phytopathologists and entomologists will be held at Wageninoen, the centre of one of Holland's market gardening districts, from June 25 to June 30. The conference will be presided over by the Dutch Premier and the Minister of Agriculture, and the honorary presidents include Dr. L. O. Howard, Director of Entomology of the Washington Department of Agriculture. One of the chief questions under discussion will be the carrying of plant sickness and insect plagues, and international co-operation and control in preventing the transporting of these plagues, in which Holland as a land of market produce and flower gardens is, of course, especially interested. This is the first international phytopathological conference since the war and the program is extensive. Great interest has been evinced in conference from all sides, and no less than twenty-one foreign countries, including the United States, are sending fifty-three experts as delegates."

Tariff Reciprocity Daniel Dean, of Nichols, N.Y., says in a letter to The New York Times to-day: "Having had several trips to Canada to lecture on the subject of potato production, I know well many of their growers and their scientists who work on potato production in Canada. My long experience traveling in many of our States gives me the same knowledge of the feelings of potato producers on this side of the line. I am buying seed potatoes from the far north of Canada, and am glad of the duty I pay on seed, for it also protects my far greater product. American potato growers, like other American farmers, are very sick of the principle that food producers exist only for the benefit of city residents. Canada manufactures little, but has a heavy agricultural surplus to export. Any reciprocity treaty with Canada can only mean heavy competition for American farmers, for the benefit of city residents. As the producer of 8,500 bushels of potatoes last year I fail to see why Canadian potatoes should be admitted free of duty to compete with mine, when the articles I buy of city manufacture are still enhanced in price by tariff duties....."

A dispatch from Quebec to the press to-day says: "J. E. Caron, Provincial Minister of Agriculture, in an address May 16 urged the Dominion Government to take measures of reprisal against the United States by increasing the duty on incoming American products to offset the losses Canadian farmers are facing through the Fordney tariff."

Food Cost Up An average increase of 1 per cent in the retail cost of food to the average family in April over March was reported May 17 by the Department of Labor. The largest increases included: Cabbage 27 per cent., potatoes 14 per cent., granulated sugar 4 per cent., sirloin steak, round steak and flour 2 per cent. Eggs, cheese, raisins, plate beef, butter, prunes, bacon, wheat cereal and bananas decreased in price. For the year April 15, 1922, to April 15, 1923, there was an increase of 3 per cent. in all food commodities combined. For the ten-year period the increase amounted to 46 per cent. (Press, May 18.)

Section 2.

Business Conditions Capper's Farmer for June presents a symposium of opinion upon the present business situation. The following expressions of representative men are included in the group of statements:

Bernard M. Baruch - "I would say that inflation already has come. But it has not been of a dangerous kind, nor do I think it will be under the direction of a man such as the present Secretary of the Treasury. There has been a rise in prices, but, if you will note, the rise has been greater in the prices of those things which are controlled than in those which are not controlled, such as agriculture....There can be no real inflation, no false inflation, with all its bad effects, unless we get 'soft money.' Then you get actual inflation and all the evil consequences that follow in its wake."

Charles M. Schwab - "My personal opinion is that business in the country is at the present time on a firm foundation but that caution must be exercised to prevent our entering into a secondary period of inflation....Another period of inflation would be harmful and almost disastrous to industry. It simply would mean that we would have to go through another period of deflation, with its accompanying unemployment and unproductivity, and begin all over again our constructive activities."

Samuel Gompers - "Unquestionably there is inflation in some directions. For example, there has been inflation in the sugar market....Nor can any measures now possible prevent inflation, except in some extreme cases. Of course, the inflation of to-day has not begun to reach the dizzy heights of the post-armistice period which led to the crash that sent more than 5,000,000 wage earners into idleness and that ruined thousands upon thousands of farmers. I think we need have little worry about the situation as it stands, but those who toil, in the cities or on the farms, can not know what lies ahead. For the first time, wages are more nearly measuring up to the cost of living. That is, while living costs keep advancing, wages are beginning to catch up. This is one solid sign of excellent meaning. It means a market for farm produce -- a market that is able to buy its living and pay the bill. If we can continue to keep from our country a flood of low-wage European workers we can continue to hold wages about in their proper proportion. That is the best guarantee our country can have against a precipitate crash. It is our best insurance. It is an insurance for the farmer as well as for the wage earner of industry. Reaction will exert every effort to feed itself; it always does. But the position of reaction to-day is far less menacing than it was two years ago, or even a year ago. The pendulum does not stand still. It is swinging back toward genuine American progressiveness."

O. E. Bradfute - "There seems to be slight indication at this time of inflation in the prices of agricultural products. Indeed, the tendency seems to be the other way. There are, on the other hand, many indications and, in fact, some realization of a very decided inflation of many nonagricultural commodities. If the buying power of the farmer is to be diminished further, the temper of the agricultural people of the Nation will be put to a very

serious test. The people of the farms have suffered far more than is understood by other groups that have not experienced a sudden deflation such as took place on farm products. The result of any considerable inflation of products that already are too high proportionately will be that the 40 per cent of American people living on farms will not buy those products or consume them, simply because they can not. Therefore, I believe the ultimate result will be a general crash in all business affairs. While I like to be always in the position of the optimist, I must confess that the indication of the type of inflation that seems to be coming has a tendency to knock the props from under my optimistic platform."

Pierre S. DuPont - "The outlook for business seems reassuring. There is general prosperity, good volume of business with fair prices and the situation seems sound. The factors most likely to cause disturbance are, in order of their importance, labor, price and financial conditions. If we should have an advance in cost of labor out of proportion to advance in materials, we should encourage inflation, a condition that might also be brought about by an increase in price of materials as a result of the present active demand. If inflation comes about through either or both of these causes, general business will be curtailed. It is to be hoped that the lesson of 1920 will prevent rapid rise and decline."

Farm Situation

John S. Logan says in the Nebraska Farm Journal: "That 'Farming is the biggest gamble yet,' is one idea I wish farmers and farm papers would discard, for farming is anything but gambling. True, there are chances in raising a crop, but the elements of nature will be better understood some day and part of the hazard removed. Until that time we could form a Nation-wide cooperative insurance society and buy protection as is done in other lines..... Folks go hungry and cold because men gamble in foodstuffs and coal. The railroads can not operate properly and cheaply because men have gambled in their securities until they are overcapitalized. Men make more in a few weeks' gambling in our products than a farmer can make in a life time of hard work, and folks are becoming discontented and are drifting around in search of easy money..... Every business has its chance and we must run ours, recognizing the chances that we can not eliminate, and quit kicking about those we can remove.....Farming is not gambling."

Farming in Massachusetts

The individual farmer in Massachusetts is comparatively better off than the agriculturist of the West, but his condition does not compare any too favorably with the industrial worker of the Bay State, according to a report made by the Massachusetts Department of Agriculture. The report points out that the crop value of each acre of improved land in the United States in 1922 averaged a little under $17, while in Massachusetts the average was about $49. Although it costs more an acre to grow crops in Massachusetts than in some other States, the net income per acre is greatly in excess of that in such agricultural States as Kansas, Wisconsin and Iowa, according to the report.(N.Y. Times, May 17.)

Negro Migration

Louisville Courier-Journal for May 15 says in an editorial: "Reports from those Southern States most affected by this negro exodus have so far been reassuring. It has meant that the landowner has had to become more active. It has meant that the white laborer has had to be called upon. It has meant that less energy will be lost in the working of the plantations. But there can be no doubt that the negro if he leaves the South in increasing numbers will be greatly missed and it will be difficult to fill his place... Vital statistics show an alarming death rate among the negro population in larger cities. From their simple homes, and their work in the out of doors they are unfitted for the complexities of life in the great centers of industry. They are, like the Indian and the Polynesian, plunged into the maelstrom of civilization and are not prepared for it. Tuberculosis and other diseases sweep their settlements like a scourge. These migrations therefore become serious not only for the negro himself but also for those cities into which he has migrated. They must look after his welfare. They must guard against those diseases which ever threaten his existence. They must inspect his housing and the necessary sanitation. If the migrations increase the problems increase. Primarily, however, the problem is one for the negro himself to solve."

Section 3.

Department of Agriculture

1 Southern Agriculturist for May 15 says in an editorial: "We favored regulation of the packing industry by the Government, and we think some good effects of the packer law have already been made apparent. We did not think at the time, and do not think now, that there was any profit to be had from the court decree that put the packers out of the business of retailing meats. We would have preferred to see them go on, under proper governmental supervision, until they had definitely determined whether or not cheaper means of distributing meats to the consumer could be worked out."

2 A Richmond, Va., dispatch to the press of May 17 says: "Representing the special committee considering the cotton standards act, at the convention of the Cotton Manufacturers' Association, D. M. Jones of Gastonia, N.C., made a report on the Fulmer act. He said: 'This act is intended to promote the use of the United States standards for grade and length not only in domestic or interstate commerce but to force foreign countries to adopt them. There are only two sections that will interest you, in fact the entire act is worthless in so far as it will help the cotton planter or the cotton manufacturer. These are sections three and four. The balance of the act deals with its application and penalties....If something is not done to curb the activities of the Department of Agriculture most of us will live to see both the cotton planter and manufacturer go on the rocks good and hard. Each year finds some new report or estimate that in most cases is squarely against the interests of the planter and the manufacturer, who should be the first people considered, and directly in the interest of the gambler.' "

Section 4.

MARKET QUOTATIONS.

Farm Products

May 17: Chicago wheat unsettled on the 17th and was both higher and lower than yesterday with close irregular. Action of corn market similar to wheat with realizing sales on all upturns. Cash market strong and prices higher. Chicago July wheat higher at $1.17 1/2; Chicago July corn higher at 80 3/4¢.

Closing prices in Chicago cash market: No. 2 red winter wheat $1.31; No.2 hard winter wheat $1.22; No.2 mixed corn 84¢; No.2 yellow corn 87¢; No.3 white oats 46¢. Average farm prices: No.2 mixed corn in Central Iowa 60 1/2¢; No.1 dark northern wheat in Central North Dakota $1.05; No.2 hard winter wheat in Central Kansas $1.05.

Chicago hog market opened slow, mostly 5 to 10¢ lower, bulk of sales $7.40 to $7.90; medium and good beef steers $8.65 to $10.10; butcher cows and heifers $5.10 to $10.00; feeder steers $6.50 to $8.40; veal calves $9.00 to $11.75; fat lambs $13.25 to $15.50.

Florida Spaulding Rose potatoes $7.50 to $8.50 per barrel in leading markets, $7 f.o.b. shipping points. Carolina and Virginia Wakefield cabbage $2.25 to $3.50 per barrel crate in city markets. North Carolina and Virginia Klondike strawberries 18¢ to 25¢ quart basis; Texas Yellow Bermuda onions $2.50 to $3 per standard crate in leading markets, $2.35 f.o.b. cash track.

Closing prices, 92 score butter; New York 42 1/2¢; Philadelphia 42 1/2¢; Boston 44¢; Chicago 41¢.

Spot cotton prices up 24 points, closing at 26.11¢ per lb. New York May future contracts up 31 points, closing at 26.56¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 17,	May 16,	May 17, 1922
20 Industrials	95.41	95.53	93.91
20 R.R. stocks	81.58	81.70	84.41

(Wall St. Jour., May 18.)

Section 1.

Fruit and Vegetable Marketing in New York

The New York Times to-day bases an editorial on the preliminary report of Walter P. Hedden of the United States Department of Agriculture on terminal conditions at the port of New York. After reviewing Mr. Hedden's statement that "Nothing is more certain in regard to the handling of fruits and vegetables at New York City than that the terminal facilities now provided are rapidly becoming utterly inadequate," the editorial continues: "What is the remedy? How shall cost to the consumer be reduced? Mr. Hedden proposes 'the integration of delivery points, primary markets and secondary markets, to the end of minimizing the handling and cartage of bulk,' an efficient method of converting car lots into truck job lots: and, what is the most important, a central receiving terminal adjacent to joint railroad break-up yards in New Jersey. A public agency to sample contents for the purpose of reliable certification would do away with most of the cumulative inspections in New York that now cause delay and expense.....The cost of the sequences of transportation and handling as the delivery system exists to-day does not seem to have been worked out. It is evident that if the improvements suggested can be put into effect, the consumer's bill for fresh fruits and vegetables will be much smaller."

Sugar Situation

The New York Times to-day reports: "Prominent interests in the New York sugar trade will hold a formal meeting on next Tuesday for the purpose of drawing up an open letter to President Harding on the sugar situation. Informal discussions have been held among members of the trade on the matter, but thus far no official meetings have taken place. A difference of opinion prevails in the trade as to whether the statistical position of the industry should be discussed in the letter, or whether it should be confined to fundamental conditions. The meeting will be attended only by members of the sugar trade, and it is officially stated that the New York Coffee and Sugar Exchange will take no part in the discussion....According to advices received in the trade yesterday, General Betancourt, Secretary of Agriculture of Cuba, estimated that the Cuban sugar crop for the current season would not exceed 3,500,000 tons. This compares with estimates ranging from 4,000,000 to 4,150,000 tons made earlier in the year. It was also reported in the trade yesterday that 153 Cuban sugar centrals have ceased grinding and that their output was 17,770,426 bags, or 2,415,574 bags below the Himely estimate, which figured on 20,186,000 bags."

Cars for California Fruits

A San Francisco dispatch to the press to-day says: "Replying to appeals of fruit growers for a statement of the car situation in California at the beginning of the 1923 crop movement season, the State Railroad Commission reported in a survey just made that, with 46,000 refrigerator cars available, California carriers are in a better position to handle the predicted bumper crop than they have been in the last three years. While the commission predicts no delay in handling fruit during the summer, the report makes no forecast regarding the September shipment of grapes."

Section 2.

Agricultural Research in Britain — The interim report of the British Agricultural Tribunal, appointed last December by the Minister of Agriculture to investigate agricultural conditions, made three suggestions in regard to education and research as follows: (1) That the system in vogue in Scotland, of making appointments of county agricultural organizers through the agricultural colleges, would be preferable to the present English practice whereby the organizers are appointed by the county councils; and (2) that the economic organization of agriculture should have much greater attention both in the educational schemes of the agricultural colleges and in the programs of work put in hand by the institutions where agricultural research is carried on: (3) that it is a matter of first importance to extend research work in the direction of testing new systems of farm management, particularly as regards the maintenance of livestock on arable land.(Jour. of Ministry of Agriculture,May.)

Anti-Dumping Act Effective — The press of May 18 says: "Assistant Secretary of the Treasury Moss May 17 put into effect provisions of the tariff anti-dumping act with respect to importation into the United States of calcium carbide. Importations from Quebec threaten the industry in this country."

Business Conditions — F. Edson White says in Capper's Farmer for June: "If the experiences following the Napoleonic wars and our own Civil War are at all indicative, we may expect the continuance of the present inflation during 1923 and possibly for the early months of 1924. In fact, I do not know from the present trends in business just when a reaction may be expected....To-day we are in the period of secondary inflation. The obvious lesson is to reserve in every industry a financial surplus to tide over the break which we may expect on the ground of historical precedent. Unfortunately, many of our industries, such as agriculture which has so much capital tied up in land and other 'frozen' forms, and which operates its readily liquidable business on borrowed money, are still paying off liabilities contracted during the primary boom at the close of the war....If all classes unite in a willingness to operate on a low price level so that agriculture and mining receive low prices for raw materials; capital, small returns on the investment; labor, low wages; transportation, low carrying rates; industry usually will revive at a time when the larder still contains a slight reserve. In other words, the surplus of the first inflation will not be entirely consumed. If, on the other hand, one or two classes refuse to accept their share in establishing a low level, the period of stagnation is prolonged until the cupboard is entirely bare. In the long run there is no financial gain from following either procedure but the early reestablishment of industry at low levels is normally to be desired, since it provides a living for everybody and does not result in alternate periods of employment and unemployment, high prices and low prices, feverish trading and stagnation. Fortunately, the heads of the larger industries realize the significance of this situation and it seems very doubtful whether there will be a material expansion of industrial facilities and consequent overhead that will bring us the degree of difficulties we suffered in 1920-21."

Business Conditions 2 New West Trade, Spokane, for May 12 says in an editorial: "The Northwest, and the few other black spots on the United States prosperity map, have washed out white, and all signs indicate a continuation of the present industrial and general business prosperity, but let's not kid ourselves too much with the idea that these things are secure and will go on and up indefinitely.... There have been industrial wage advances and increases in cost of raw materials. We may expect these to be reflected in the finished products, but, can and will the agricultural and other non-industrial classes stand the increased pressure....This does not mean there is going to be any material slump in prices generally. There will not be. We are on a more solid basis economically than other nations. We are prosperous and both old and new wealth is being distributed more universally and equitably than ever before here or elsewhere. We have a high and well-established individual purchasing power. These things mean sustained prices and values. A level market is the thing to expect and plan for."

Farm Labor The New England Farms for May 12 says in an editorial: "The serious situation of the farm labor market at the present time has resulted in all kinds of plans for the replenishment of the supply. The agricultural colleges can do a great deal to help out in future labor shortages if they will stress this truth, that the most necessary factor in successful farming is willingness to do real manual labor to put into operation the learning and science which they teach. By and large we might well admit a lot of this labor shortage is due to our own distaste to soil and callous our own hands. This conclusion covers all classes; there is too much of the idea growing that dirty overalls are disgraceful, and this added to the fact that the proportion of persons engaged in non-productive occupations is too large when compared with the producing classes has more to do with our labor shortage than is generally admitted."

Farm Products in Britain Country Life (London) for May 5 says in an editorial: "It is noteworthy that in the Manchester Guardian Commercial Supplement on Food Supplies, which is issued this week, the organ of the historical center of Free Trade supports a principle of subsidies. 'Would it not be more effective,' says a writer, 'as well as simpler, and in the long run no more expensive, to revert to the policy of the 1920 agriculture act, and to give a guarantee to arable farming?' With this is joined a suggestion that this should be coupled with a condition that some public authority should have the power to insist on good husbandry in return for the guarantee. This is a very striking conclusion to be reached by our contemporary yet it is not illogical. At the present low prices of agricultural produce, arable farming can not, except in very favorable local circumstances, be made to pay. It can only be profitable on the system adopted during the depression of the 'eighties of last century--that is, by laying down arable to pasture and thus reducing the labor bill; but at a time of unemployment it is not at all desirable, but the very opposite, to suggest that the employment of

labor should be curtailed.....Prices, it is suggested, are 'below the level that is necessary to ensure the maintenance of present output.' The late Director General of Food Production had several graphs in his book to show how the cultivated area expanded with the increase and contracted with the decrease of prices. Europe's needs will not continue to be supplied on terms so unsatisfactory as those the commercial depression compelled farmers to accept last year. In the United States, for example, the ruin going on visibly has been described by various able and responsible men. It is curious that in that great country of inexhaustible resources the process was identical to that which was open to study in Great Britain. The price of land rose with a bound after the war, and farmers were tempted to buy the holdings they occupied. They did so mainly with the help of the banks. When the slump came the bank officials, being business men actuated by the desire to attend to the profits of the companies to which they belonged, began to press the farmer, who, at the same time, was receiving much lower prices than before. Bankruptcy was the natural consequence.... The writer to whom we have referred holds that when the adjustment has been made, Europe will find that food is relatively dearer. Obviously, Europe will be handicapped by the difficulty of obtaining a world market for manufactured goods, and it is for this reason that one may predict with confidence that the price of food will go up within no very long period. The key of the situation is really to be found in Russia. Before the war Russia was exporting food on an enormous scale, but her ability to do so has been undermined and destroyed by the revolutionaries. It is impossible that the rule of the latter should endure for any length of time; no power on earth could maintain a form of government which has resulted in changing a great food-producing empire into a starving wilderness. Neither Soviet nor tyrant can prevail in a contest such as that. Nature is greater than either, and she has provided a source from which the illimitable population of Russia can draw wealth from other countries to an infinite extent. The battle between anarchy and orderly labor may take a long time, but the victory must at last fall to the wealth-producing part of the community, not to the irresponsible waster."

Immigration 1 Pacific Rural Press for May 12 says in an editorial: "We do not quite agree on the proposition of bringing millions to be fed here rather than abroad. There would be too much danger of creating a peasantry or proletariat faster than it could be Americanized, with great danger to the quality of our citizenship and the independence of our industry."

2 "Choice Immigration" is the title of an editorial in Chicago Journal of Commerce for May 17, which says: "One thousand Scotch immigrants, including 700 mechanics under 30 years of age, with a background of seven years as apprentices, arrived in New York recently. That is the kind of immigration that counts -- upstanding, independent, hard-working and thrifty young men, trained to

give value received for their service. It is said these men worked for $10 a week in their native land. In all probability they will soon be receiving that much a day, and saving the most of it. That they will make good American citizens goes without saying.....For many years this country has attracted much immigration which has not proved valuable to it. A limit has been placed on this. America is worth the attention of the better portions of European population. Instead of being a dumping ground for vicious and worthless elements, our opportunities should be presented to the better classes. No need to specify them by countries. A survey of immigrants who have populated the Western States, and those who 50 or 75 years ago enriched the man-power of the States between the Alleghenies and the Mississippi, tell us what nationalities should be made welcome, just as inferior and degraded immigration teach us who should be barred from our shores."

Prices

John A. Prescott, president of the Investment Bankers Association, says in Capper's Farmer for June:-"Our financial condition is different from three years ago. We have more money now; seemingly enough to finance a great business revival. We didn't have enough three years ago. Now a number of banks that have lent as heavily as they did three years ago are carrying the same load without aid from the Reserve banks. Three years ago the Reserve banks were helping them all and reserves were close to the minimum. So far, the present great business expansion, with its record-breaking production in some lines, has not touched the huge reservoirs of credit in the Reserve banks. Our industrial expansion is here because there is an actual market of some sort for its goods, and we have at the present time the money to pay for them. Whether this market is temporary or may prove stable, the future will disclose. The war left a shortage in many necessities...Industry is catching up now with the needs left by the war. It can expand only until those needs are filled. Two nearby checks on expansion are apparent. One is the low price for farm products, because of Europe's inability to take our food surplus. The other is the increasing price of labor. Labor is the one thing that has not been deflated. Wages are advancing again, and the farmer faces the difficult task of paying still more for labor, while he receives no more for his products. To have a well-rounded, comprehensive business expansion, our farm markets must be reestablished. That means that permanent reconstruction in this country eventually must rest on settlement of the reparations question and reconstruction in Europe."

"Truth in Fabric"

A Cambridge dispatch to the press of May 18 says: "With reference to the value of reworked wool as raw material, Arthur H.Cole, professor of economics at Harvard University, says industrial progress may be measured by the extent to which raw materials are economized. Clippings of leather are carefully collected and worked into 'artificial' leather and the product is hailed as a triumph of ingenuity, he says, while pierced cocoons and the tag ends of silk fiber are conserved. The grease from sheep's wool may be recovered for use in soap, but suspicion is entertained that there is something

intrinsically harmful in the use of 'shoddy.' Professor Cole asserts that the supply of new wool produced is insufficient and that mankind must use reworked wool or freeze; what the consumer wants to know is will a certain cloth or garment keep him warm, retain its shape and wear well. He says it is obvious that branding of cloth or clothing containing 'substitutes for original wool' would serve no useful purpose. A Scotch homespun, made wholly of new wool, hand-spun and hand woven, may be less serviceable for a business suit because of its relatively loose weave and tendency to 'bag' than a piece of domestic cassimere, with 10 per cent admixture of reworked wool, he asserts. Yet, if labeled as containing reworked wool, it would suffer the same obloquy as a counterfeit coin. Professor Cole says a law to prevent fraud or deceit would be logical legislation."

Section 3.

MARKET QUOTATIONS.

Farm Products

May 18: Chicago wheat prices declined on the 18th on selling by local interests. Claims of damage to crop in several important producing counties in Kansas was main market factor. Corn prices followed wheat. Chicago July wheat lower at $1.16 1/8; Chicago July corn 80¢;

Closing prices in Chicago cash market: No.2 red winter wheat $1.29; No.2 hard winter wheat $1.20; No.2 mixed corn 83¢; No.2 yellow corn 86¢; No.3 white oats 45¢. Average farm price No.2 mixed corn in Central Iowa 61¢.

Chicago hog market opened slow, 10 to 15¢ lower, bulk of sales $7.35 to $7.80; medium and good beef steers $8.65 to $10.10; butcher cows and heifers $5.10 to $10.00; feeder steers $6.50 to $8.40; veal calves $9.00 to $11.75; fat lambs $13.25 to $15.50.

Florida Spaulding Rose potatoes mostly $8 to $8.50 per barrel in consuming centers, $7 f.o.b. at distributing points. Texas and Alabama sacked Bliss Triumphs $5 to $6.50 per 100 pounds in consuming markets. South Carolina Wakefield cabbage strong at $2.25 to $2.75 per barrel crate in leading cities. Texas Yellow Bermuda onions $2.75 to $3 per standard crate in city markets, $2.50 f.o.b. shipping points. North Carolina Klondike strawberries 18¢ to 22¢ per qt. basis in New York.

Hay prices firm at most markets because of very light receipts. Feed markets dull and declining. Demand very moderate.

Closing prices, 92 score butter: New York 41 1/2¢; Philadelphia 42¢; Boston 43¢; Chicago 40 1/2¢.

Spot cotton prices unchanged, closing at 26.01¢ per lb. New York May future contracts up 23 points, closing at 26.79¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 18,	May 17,	May 18, 1922.
20 Industrials	95.07	95.41	94.80
20 R.R. stocks	81.33	81.58	85.28

(Wall St. Jour., May 19.)

Section 1.

Alaskan Survey In writing of the forthcoming visit to Alaska of the President and members of his Cabinet, in the Philadelphia Ledger to-day, Secretary Work outlines some of the problems to be investigated as follows: "Whether the complete jurisdiction over the whole of Alaska shall be vested in a single department of the Government. Whether a colonization and immigration plan shall be immediately put into effect. Whether there shall be built up a corps of trained men with headquarters in Alaska to search out and report regularly upon the mineral resources of the territory. Whether branch lines and spurs to the Alaska Railroad shall be constructed to bring it into fuller usefulness in meeting industrial needs. Whether there shall be more liberal appropriations for the building of roads and trails in the interior of Alaska, a regular appropriation of $1,500,000 annually being asked. Whether the fishing industry is to be wholly checked and regulated through the vesting of supreme power to control it in the Department of Commerce. Whether the Government is to eliminate the dangers of navigation on the coast of Alaska by providing a sufficient number of lights and other warnings to navigators. Whether steps are to be taken to further protect the seals. Whether all law-enforcing agencies in the territory shall be consolidated under the Department of Justice. Whether the mining and land laws of Alaska shall be liberalized. Whether improved facilities for travel and commerce to Alaska shall be put into effect by placing vessels of the United States Shipping Board into the Alaskan service. Whether an administrative building or territorial capitol shall be erected by the Government. Whether tourist roads shall be constructed into the national parks of Alaska in order to open them to the public. Whether a new game law shall be enacted covering the territory of Alaska that will secure conservation of its wild animal life. Whether an allotment of a percentage of the revenue derived from the Pribilof Islands located in Alaskan water shall be made to general fund of the territory."

Sugar Situation and Future Trading The New York Times of May 20 says: "Regardless of the outcome of the Government's action to enjoin the New York Coffee and Sugar Exchange from trading in 'sugar futures,' the general impression in business circles, outside of the sugar trade, is that the steps taken by the Government 'forecast interference with a practice of commerce which has been maintained from immemorial times with respect to all commodities.' The current issue of The Index, published by the New York Trust Company, says: 'The suit brought by the Attorney General to enjoin future trading in sugar has a significance much broader than the immediate issue involved. Regardless of the issues in or the outcome of the suit against the Sugar Exchange, the mere statement of the Government's case, if it should be sustained, would forecast interference with a practice of commerce which has been maintained from immemorial times with respect to nearly all commodities. But it does not appear at all likely, in view of the New York Court's refusal to grant an injunction, that this will be the outcome of the Government's effort. After long consideration of the steps that might be taken to regulate dealings in grain futures, Congress passed the grain futures act, which was sustained by the Supreme Court on April 16. There is no connection, however, between the upholding of the grain futures act and the suit brought by the Government against the Sugar Exchange....."

Section 2.

Agricultural Credit Organization — The Indianapolis Cattle Loan Co. has indicated its intention of converting its organization into a national agricultural credit corporation, under the provisions of the new agricultural credits act. The company desires to incorporate with a capital stock of $250,000, which is the minimum permitted under the law. (Press, May 18.)

Canadian Grain-Rate Compact Attacked — A dispatch from Ottawa to the press of May 19 says: "The report of a royal commission, submitted in the House of Commons May 18, recommended that measures be taken by the Dominion Government to break an alleged grain-rate agreement, made in 1922 and continued since, by steamship operators controlling a considerable proportion of the bulk freighters on the Upper Lakes. Other recommendations were: That Lake grain rates be placed under supervision of the railway commission; that the commission have power to fix maximum rates, and that the Dominion Government be empowered to suspend the coasting regulations in so far as it may be necessary to enable American vessels to carry grain for winter storage between Canadian ports. It was further recommended that 'all vessel brokers and persons engaged in chartering vessels or space on vessels from Fort William and Port Arthur East be prohibited from writing cargo for out-turn insurance on grain and from acting in any way as agents for the placing of such insurance. And, further, that all such vessel brokers shall, at the grain exchange where chartering is made, afford grain dealers a detailed statement showing space, date of shipment and destination for carriage on each grain charter.' "

Cotton Tariff — A Richmond, Va., dispatch to the press of May 18 says: "Strong protest was registered May 17 against further tariff agitation in a resolution adopted in the final session of the 27th annual convention of the American Cotton Manufacturers' Association, the resolution setting forth that such agitation is not only clearly unnecessary but will tend to disrupt business conditions."

Farm Insurance — The Southern Planter for May 15 says in an editorial: "We are gratified to note that the National Department of Agriculture is strongly advocating the organization of farmers' mutual insurance companies, especially in the South where they are less numerous than elsewhere. There are 2,000 farmers' mutuals in existence at this time, carrying approximately eight billions of insurance at an average annual cost for both losses and expense, of 25¢ per year for each $10 of insurance. A number of the most successful and best managed mutuals, included in the above, have cost records over a long period of years of only 10¢ per year or less, on each $100 of insurance carried. The most remarkable feature of these mutuals is that of the total cost for the insurance carried, about three-fourths goes to pay losses while only one-fourth is chargeable to operating expenses."

Farm Labor

The Southern Farmer for May 15 says in an editorial: "When it is recalled that the Nation's building and road making program stood still from 1917 to 1922, more than five years, it is small wonder that the call for unskilled labor or near skilled labor, is long and loud. There has never been such an amount of construction as is now in progress. This fact, undoubtedly, explains why farmers find it difficult to corral the usual floating labor for their needs. For our part, we are not in the slightest discouraged over the outlook. The building boom will not continue forever. Commerce can not live and thrive on the ridiculous wages being paid for brawn. Neither can it pay the prices for its food which will shortly be demanded. In the meantime, machinery and fertilizers, plus reduced acreages, are standing hard by to supplant the missing labor. Increased yields per acre on half the acreage when applied the country over will dispense with much of the farm labor which has heretofore been needed under old conditions. Let the city dailies lend their efforts towards helping the farmer get rid of some of the parasites which live on him. They can then get their food cheaper while the farmer can receive a fair price for his produce. The sooner they get at the job, the better it will be for all concerned."

Federal Aid

The Manufacturers Record for May 17 quotes Chief Justice Thompson of the Supreme Court of Illinois as saying: "The most insidious enemy of organized government is paternalism. Government aid is a tempting bait and many a time proven fundamental rights have been bartered for a paltry helping from the Government pork barrel. Billions of dollars are expended every year in this country in an attempt by the Government to do for the people what they could infinitely better do for themselves...Let us not deceive ourselves. We are plunging headlong into the abyss of communism. Private business is stifled by Government red tape, and the individual citizen needs to carry a library with him to enable him to keep out of jail. The Government job holders are all doing work that could be done without a cent of additional expense to the people of the State. Add to these an army of State road bond issue attorneys, inheritance tax attorneys and inspectors, blue sky and prohibition attorneys, all on the payroll of the State, for the avowed purpose of doing what very naturally and properly could and ought to be done by the several States' attorneys and which would be done by them without a cent of additional expense to the people in every county outside of Cook. Add to these the army of 500,000 Federal censors and inspectors, and investigators and regulators, and you begin to see to what tremendous proportions the mania for attending to other people's business has already grown. Do not understand me to criticise those holding positions. They are not to blame. Many are rendering valuable service and are doing necessary work if the system is to continue. It is the system of centralizing power and creating jobs that I condemn."-- The Record comments as follows: "Judge Thompson might well have emphasized the danger of paternalism in the management of our business affairs....We are passing out of a time of individuality

into a time of governmental domination. No man's business is safe for 24 hours. No man knows what plans he can make, for he never knows in advance what new orders may come out of Washington, what new speeches may be made, what new Cabinet advices may be given which within a few hours may completely change the complexion of all business."

Living Cost Up

The cost of living among wage earners' families in the United States April 5, 1923, was 59.1 per cent higher than in July, 1914, according to the National Industrial Conference Board. Between March 15 and April 15 there was a decrease of one-tenth of one point or less than one-tenth of 1 per cent. Coal prices declined noticeably from March 15 to April 15. Other changes in the budget were very slight. Between July, 1920, when the peak of the rise in the cost of living, since 1914 was reached, and April, 1923, the cost of living dropped 45.4 points or 22.2 per cent. (Press, May 18.)

Pittsburg Plus

The Southern Planter for May 15 says in an editorial: "The crimes which have been committed against the farmer under the guise of 'supply and demand' are legion. 'Pittsburg Plus' is one of the baldest and will fool nobody once the Modus operandi is understood. This is a mean and vicious practice and the Nation-wide fight for its abolition will, in our opinion, succeed. Contrast 'Pittsburg Plus' with a practice in vogue in Richmond. We call this 'Chicago Plus' because of the fact that the freight from Chicago is added to the Chicago price offered the farmers for their hogs here....."

Sugar Production Abroad

Country Life (London) for May 5 says in an editorial: "Some of the opportunities remaining to British farmers are indicated almost unconsciously by Mr. E. F. Wise in his paper, in the Manchester Guardian Commercial Supplement, on Food Production and Consumption in Europe. He shows to what a very large extent beet sugar before the war was taking the place of cane sugar. The European production of beet sugar in the years 1909-10 to 1913-14 averaged 5,629,000 metric tons. In 1919-20 to 1921-22 the average production fell to 3,309,700. During the same periods American production of beet sugar had risen from 640,000 metric tons to 1,000,900, and cane sugar production rose from 9,591,600 to 12,893,400 metric tons. The high price of American sugar, or, rather, the sugar controlled by America, is one of the features of the day. It provides an opportunity for Europe to increase the production of beet sugar. Even in this country, which turned a cold and unsympathetic ear to the proposal before the war, the cultivation of the sugar beet is now being undertaken with a zest that leaves little to be desired. Every effort should be made to encourage the movement. If we can produce at home anything like an approach to our total consumption of sugar, the growing and manufacture of it would save the forty millions annually which we are now sending to America for sugar, and at the same time give a handsome profit to farmers and manufacturers and increase employment."

Section 3.
MARKET QUOTATIONS

Farm Products

For the week ended May 19: Grain prices show net advances for the week, Chicago July wheat up 2 1/2¢; Chicago July corn up 1 3/4¢. Bullish factors were wet cold weather and unfavorable crop news for both wheat and corn.

Closing prices in Chicago cash market: No.2 red winter wheat $1.28; No.2 hard winter wheat $1.20; No.2 mixed corn 82¢; No.2 yellow corn 84¢; No.3 white oats 45¢. Average farm price No.2 mixed corn in Central Iowa 68¢.

At Chicago hog prices are about 5¢ lower for the week. Beef steers largely 10 to 15¢ higher; spots 25¢ up; butcher cows and heifers 25 to 50¢ higher; bulls 15 to 25¢ and veal calves $1 to $1.50 higher. Fat lambs $1 to $1.50 and fat sheep 50¢ to $1 higher.

Florida potatoes advanced 25¢ to $1 in city markets for the week; up 50¢ at shipping points. Texas and Alabama potatoes slightly lower, South Carolina stock firm. Old potatoes show slightly weaker tone. Texas onions firm in city markets; higher at Texas points. Cabbage and strawberries generally lower.

Spot cotton prices advanced 123 points during the week. New York May future contracts advanced 167 points.

Hay prices holding firm at most markets because of very light receipts. Demand is of small volume but sufficient to absorb all desirable offerings promptly. Farm work continues to restrict country loadings. Quoted May 18 - No.1 timothy - Boston $25.50, New York $26.50, Philadelphia $23, Pittsburgh $21.50, Cincinnati $21, Chicago $23, Minneapolis $17.50, St. Louis $24, Memphis $24.50, Kansas City $19.50. No.1 alfalfa - Kansas City $26, Memphis $33. No.1 prairie-Kansas City $19.25, Minneapolis $17.

Feed markets dull and declining. Demand very moderate. Quoted May 18 - bran $26, middlings $28, flour middlings $30, Minneapolis; Gluten feed $37.15 Chicago; 36% cottonseed meal $37.50 Memphis, $39 Atlanta; 32% Linseed meal $39 Minneapolis, $38.50 Buffalo; white hominy feed $33 St. Louis, $34 Chicago.

Butter markets easier and more unsettled with price declines averaging about 2¢ during the week. Closing prices, 92 score butter: New York 41 1/2¢; Chicago 40 1/2¢; Philadelphia 42¢; Boston 42 1/2¢.

Cheese markets about steady with prices advanced in line with this week's higher Wisconsin country markets. Dealers feel that prices will continue at present levels for some time and are holding firm for asking prices. Prices at Wisconsin Primary cheese markets May 18: Flats 22 1/2¢ Daisies 22 1/2¢; Double Daisies 22¢; Young Americas 22 3/4¢; Longhorns 22 3/4¢; Square Prints 23 3/4¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	May 19,	May 18,	May 19, 1922
20 Industrials	94.70	95.07	94.65
20 R.R. stocks	81.00	81.33	86.13

(Wall St. Jour., May 21.)

For Secretary's Office DAILY DIGEST May 22, 1923.

Section 1.

Canadian Livestock Men Urge Tariff Cut — In a communication to Chairman Marvin of the United States Tariff Commission, the assertion is made by the Western Stock Growers' Association of Calgary that the present American Tariff law will cost Canadian cattle producers about $15,000,000 annually by lowering the price of cattle in Canada and animals shipped to this country. (Press, May 22.)

Poultry Brings Roads Highest Rates — Poultry, shipped as freight, brought railroads a larger revenue per net ton than any other commodity during 1922. Citrus fruits, potatoes, butter, eggs, cheese and automobiles are other products from which proportionately large returns were secured, according to statistics on the subject compiled for the first time and issued May 21 by the Interstate Commerce Commission. (Press, May 22.)

Base-Plus Plan Defended — Harry W. Rownd, first vice president of the Republic Iron and Steel Company, testified for the defense May 21 at the Federal Trade Commission's resumption of hearings on the Government's charge that the "Pittsburgh-plus" method of basing steel prices throughout the country is unfair competition and a violation of the Interstate Commerce Act. Mr. Rownd testified his company fixed prices on the Pittsburgh-plus basis when it sold steel in Pittsburgh, absorbing the freight from its mills at Youngstown, O., to the point of sale. But when his company attempted to recoup such losses by adding the freight rate from Pittsburgh to points nearer Youngstown, where it made sales, it was prevented from doing so by competition, the witness asserted. (Press, May 22.)

Canada to Study Pulp-Wood Export — An Ottawa dispatch to the press of to-day says: "The agitation that has been carried on for some time for prohibition of the export of wood pulp from Canada has been bearing fruit, but as yet the Dominion Government has not fallen in with it. However, it has decided to hold an inquiry on the subject. Finance Minister Fielding, in his recent budget speech, said that some concerned over the question of the conservation of the country's forest wealth had asked the Government to go so far as to prohibit the export of pulp wood. Where the Provinces controlled the land, they could take such measures as they saw fit. There were, however, a number of private interests that owned timber lands, and these felt that they were fully entitled to market their product to the best advantage anywhere in the world. It had been decided, therefore, to name suitable persons to investigate the matter this summer."

Prices — A New Haven dispatch to the press May 21 states that Prof. Irving Fisher's copyrighted index numbers show that last week's prices averaged 163 per cent of prewar levels. The purchasing power of the dollar was 61 5-10 prewar cents.

Section 2.

Agricultural Conditions

The Breeder's Gazette for May 17 says in an editorial: "The obvious truth is that agriculture is comparatively prosperous in spots, less prosperous in spots, 'hard-up' in spots, and temporarily bankrupt in spots, and that, on the whole, the industry is slowly recovering, especially those branches of it which involve the production of livestock. It is not, however, receiving its deserved share of the prosperity which other major industries are enjoying. In each 'spot' there are individuals, as in the past, who represent many degrees of 'financial condition,' from a considerable measure of prosperity down to insolvency and worse. Some regions, however, are and long have been either more prosperous or poorer than others, due largely to climatic and soil advantages or handicaps. Selling power is much more important than 'buying power' to farmers. Whenever they can sell at a profit they will buy liberally. All recent developments and tendencies in industrial business and in American farming clearly indicate higher prices for staple farm products."

Agriculture in Canada

The Grain Growers' Guide for May 16 says: "It is beginning to be realized somewhat in the industrial and commercial world that there must be something fundamentally wrong with conditions generally when farmers in Western Canada, having produced last year the largest crop in history, operated in the main at a loss. General world conditions and the prohibitive American tariff on our farm produce had an important bearing upon farm profits, but both are beyond domestic control. There is, however, one heavy disadvantage under which agriculture labors, which can be remedied by the parliament of Canada, namely, unsatisfactory farm credits. In the Prairie Provinces, in order to ensure large production, the farmer requires more extensive credit than the farmer elsewhere in Canada, because of his larger operations and heavier turnover. While there are cases where justifiable credit has been lacking, in the main it has been the cost of credit and its uncertainty which has caused and is causing to-day a great restriction in agricultural development. Farmers in this country are paying from 7 to 9 per cent for mortgage money, except through the Saskatchewan Government system, where a few thousand farmers have secured loans at 6½ per cent. On top of these high rates they pay heavy legal expenses, so that mortgage money costs the prairie farmer on the average probably not less than 8½ per cent. Short-term loans secured through the banks cost the farmer usually from 8 to 10 per cent., with occasional higher charges, and the system of deducting interest in advance and compounding it quarterly makes the actual cost considerably higher. The average cost of bank loans to farmers is probably between 9 and 10 per cent. There is no important industry in Canada except that of agriculture which is forced to operate on, or will even attempt to carry on, at such rates of interest as are paid by the farmers in these Prairie Provinces. When this is coupled with the fact that they pay the very highest retail prices on all their equipment and everything entering into the cost of production, are subject to discriminatory freight, except on wheat, and express

rates, are paying enhanced prices due to the customs tariff, and are pioneering in a new country where agriculture is in the transition stage, the problem faced by the farmers in this country is more clearly realized."

Atlantic City's Market Plan

The New York Times of May 20 says: "Atlantic City is to have a scientific market plan, it is announced by the Bureau of Markets of the New Jersey State Department of Agriculture. The plan is to simplify the buying of perishable food products required by the innumerable hotels and boarding houses, as well as by its large resident population. The entire marketing system will be brought under the direction of a city market director, who is expected to eliminate much waste of farm products and expensive distribution. One of the important functions of the plan will be to keep producers and buyers more closely informed as to supply and demand."

Cotton Shortage Predicted

A New Orleans dispatch to The New York Times to-day says: "Two things have become impressed on the cotton trade here during the last week. One is that the crop is not only late in making its start, but that outside of Texas and parts of Oklahoma it is doing poorly, owing to the excessive rains and unseasonably cold weather for the month of May. The other is that the supply of cotton available until the new crop comes on the market is inadequate to meet spinners' needs without considerable curtailment of the activities of the mills. These two considerations combined are considered here to have rendered precarious the position of those short of the old crop months in the contract market. With respect to the crop, traders are now speculating on the probable condition average the Government will show on June 1, based on data of average date of May 25. It is quite generally agreed that it will not be possible for the condition average to reach near to the ten-year average, and there are not a few who predict that it will not be any higher than the low average of last year. It is not known whether or not the Government will issue a forecast of the crop based on the May 25 condition. It is not the custom to do so, but the Government has introduced so many innovations in the way of crop forecasts in the recent past that many confidently believe that a forecast of the yield will be forthcoming June 1."

Farm Credits In Tennessee

A Chattanooga dispatch to the press of May 21 says: "Approximately $4,000,000 War Finance Corporation money has been placed in Tennessee since the organization of Tennessee Agricultural Loan Agency. The amount outstanding March 1 was $1,328,040, the greater part of the total having been paid. Interest collected totaled $159,675 and collateral pledged as security on present unpaid loans is valued at $2,218,986."

Farm Labor in South

The Rural New-Yorker for May 19 says in an editorial: "There is no doubt about the migration of negroes from the Southern States into the Middle States and the East. Thousands have made the change, and many more will come. It is largely a transfer of farm hands to manufacturing and contracting labor. It is taking the

cheap hand labor away from the South, and will force a change in southern methods of farming. Machinery must be used more and more, and this will mean great changes in the social and industrial life of the South. Most of the work of growing cotton, up to the time of picking, can be done by machinery as well as by hand, but up to date the black finger and thumb of the negro field hand have monopolized picking, and thus dominated the situation. With the invention of a cotton picker as efficient as the cotton gin the entire situation would be changed, and machine farming would possess the South."

Grain Marketing

Price Current-Grain Reporter for May 16 says: "There are now nine 'contract' grain markets in the country operating under the grain futures act: The Chicago, Duluth and Kansas City Boards of Trade, Minneapolis and Milwaukee Chambers of Commerce, St.Louis Merchants' Exchange, the grain exchanges at both Los Angeles and San Francisco, and the Open Board at Chicago. Their licenses authorize trading at these markets by contracts for future delivery. Speculation and hedging go on with the authority of law just as both always have gone on; and since the United States District Court at New York--Judges Rogers, Huff, Manton and Mayer--denied last week the petition of the Department of Justice for an injunction against the Coffee and Sugar Exchange of New York, to stop future trading therein, and the Government's plea of gambling respected by the Court, the trade feel more confidence in the future."

Potato Marketing in Minnesota

Berry H. Akers says in The Farmer, St. Paul, for May 19: "The organization of a strong marketing agency to handle the 1924 and succeeding potato crops in Minnesota, rather than to undertake to begin with the 1923 crop, has been agreed upon by the executive committee of the general State Organization Committee in charge of plans to organize Minnesota potato growers. This action was taken last week at a joint conference of the executive committee with St. Paul and Minneapolis business men, who are cooperating by advancing the necessary funds to carry on organization work.... Decision to lengthen the campaign of organization followed a detailed analysis of the situation in Minneasota by S. G. Rubinow, organization manager. Mr. Rubinow pointed out that it took five months to sign up the growers in Maine, another month to incorporate and another month to get ready to do business. The work there was concentrated in four counties, while in Minnesota it must be carried on in 46 potato counties.....The problem of warehousing is one which led the Committee to decide to extend the length of the campaign. Under the new plan of organization, subsidiary warehousing corporations will be formed to buy, lease, or build warehouses, and considerable time will be necessary to interest business men and growers in these projects."

Roads

Chicago Journal of Commerce for May 19 says in an editorial: "Government interest in and contributions to good road building is unalloyed statesmanship. All government of an enlightened character now seeks to promote trade--to encourage and facilitate business in every legitimate way. Prosperity depends on business.

Thrift and industry alone breed content, and a people can be contented only with full opportunity to thrive righteously. Materialism is condemned by many idealists, but only on the material can spiritual growth occur. Things physical may not be neglected lest spiritual truth be obscured... Industry which produces wealth, and wealth which in turn affords opportunity for industry, are natural evolutions of creation. All intelligent men know how essential transportation is to business and to prosperity. Elimination of waste by good roads is a self-evident proposition, and if there is any one certain fact in the affairs of civilization, it is that our public roads from now on should be built to carry a vast traffic. Motor transportation will grow to prodigious proportions, but the roads must come first. They are now to general business what power is to the factory, the building to the merchant, the courts to law--that is, the place where things can be accomplished."

Trade Relations

The Dixie Miller for May says: "The recent activity on the part of the Government relative to the enforcement of the 'Anti-dumping Clause' in the tariff bill has brought about a condition which promises to be an important factor in the domestic flour situation. Canadian millers are evidently dissatisfied with the method used by the United States Government in arriving at the values under which Canadian flour can be sold in the domestic markets and, despite the fact that the Canadian product has been selling in the local markets in some cases as much as $1 a barrel above the American spring wheat patents, a number of Canadian mills have withdrawn from the market here and declare that they will not make further offers until the regulations have been tested out thoroughly and a final decision has been rendered. In the export market Canadian millers appear to be having things pretty much their own way and exporters here declare that, aside from a few of the lower priced American flours, they are unable to sell anything but Canadian flours in the foreign markets and that these grades have largely displaced the use of a number of American brands which formerly found a ready sale abroad. At best the question of Canadian competition is a serious feature, as many declare that whatever advantage is being gained by the high duties in the domestic market is being more than offset by lack of business abroad."

Section 3.

Department of Agriculture

Orange Judd Farmer for May 15, in an editorial on the grain futures law, says: "It is up to the Secretary of Agriculture to go thoroughly into this grain marketing situation and justify the hopes of the millions of farmers who look toward better conditions. There must be no side-stepping or mincing or words. Manipulation of grain prices and unfair tactics of all kinds in the grain exchanges should from this time forward be a thing of the past. We believe that all people with the interests of agriculture at heart will give Secretary Wallace their full support in his administration of this law, and will expect on his part that he deliver the goods."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 21: Chicago wheat averaged higher on the 21st but extreme advances not maintained. Corn higher with wheat early but lost out later due to profit-taking and local selling on advance. Visible supply of wheat 37,110,000 bushels this year compared with 26,353,000 bushels last year. Visible supply of corn 12,393,000 bushels this year compared with 30,660,000 last year. Chicago July wheat higher at $1.16 1/4; Chicago July corn higher at 79 1/2¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.29; No.2 hard winter wheat $1.20; No.2 mixed corn 82¢; No.2 yellow corn 83¢; No.3 white oats 44¢. Average farm prices: No.2 mixed corn in Central Iowa 68¢; No.2 hard winter wheat in Central Kansas $1.05.

Chicago hog prices uneven, mostly 10 to 20¢ lower than Saturday's average, bulk of sales $7.25 to $7.65; medium and good beef steers $8.75 to $10.20; butcher cows and heifers $5.10 to $10.00; feeder steers $6.75 to $8.40; veal calves $8.25 to $11.50; fat lambs 10 to 25¢ lower at $13.00 to $15.25.

Florida Spaulding Rose potatoes mostly $7.75 to $8.50 per barrel, reaching $9.50 in Boston and $9 in Philadelphia. New York sacked Round Whites $1.65 to $2, Maine Green Mountains $2 to $2.15 in eastern markets. South Carolina and Virginia Wakefield cabbage $2.25 to $3.50 per barrel crate. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in city markets, $2.25 f.o.b. Texas points. Strawberries generally weaker. Much stock of poor condition on markets.

Closing prices, 92 score butter: New York 41¢; Chicago 40¢; Philadelphia 42¢; Boston 42 1/2¢.

Spot cotton prices up 16 points, closing at 26.28¢ per lb. New York May future contracts up 21 points, closing at 27.14¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 21,	May 19,	May 21, 1922
20 Industrials	92.77	94.70	94.86
20 R.R. stocks	80.13	81.00	86.17

(Wall St. Jour., May 22.)

For Secretary's Office DAILY DIGEST May 23, 1923.

Section 1.

Sugar Plea

More than a hundred representatives of the New York sugar trade yesterday sent an open letter to President Harding requesting that the industry receive a "fair deal" in the situation caused by the 100 per cent increase in prices since the beginning of the year. It is stated in the letter that the signers, including refiners, producers and brokers, have no knowledge of a conspiracy or organized effort "to influence prices" for either raw or refined sugar, and as a result, the charges are resented. The request is made that the industry be protected in its "good name," and confidence is expressed that justice will prevail. In the letter Mr. Harding's attention is called to eight important factors that govern the prices for sugar. (N.Y. Times, May 23.)

Tobacco Growers' Association

A Richmond dispatch to the press to-day states that the Tobacco Growers' Cooperative Association now has a membership of 90,000 farmers in Virginia, North Carolina and South Carolina, and is the largest cooperative marketing association in the country. Through it the farmers have received close to $40,000,000 more for their tobacco than they did last year.

Grain Exports

Grain exports from the United States last week were 6,516,000 bushels, as compared to 6,120,000 to the previous week. The totals of grain exports for the week as compared with those for the week previous were made public May 21 by the Commerce Department as Follows: Barley 10,000 bushels, against 468,000; corn 924,000, against 1,769,000; oats 189,000, against 410,000; rye 633,000, against 876,000; wheat 4,760,000, against 2,597,000; flour 181,500 barrels, against 269,300 barrels. Canadian grain in transit exported from United States ports amounted to 1,675,000 bushels, compared with 732,000 bushels the previous week.

Farmers' Markets

The Bureau of Markets of the New Jersey State Department of Agriculture has advised cities conducting or planning farmers' markets to keep those institutions confined absolutely to farmers. If hucksters desire stands, the market officials recommend that they be confined in a separate hucksters' market, in order to avoid confusion to the housewife when dealing in a market where there is nothing to identify the farmers from the hucksters. Experience is said to have shown the marketing officials that farmers' markets remain popular in a community only as long as they are reserved for producers. The attractiveness of the numerous farmers' markets that have successful records in New Jersey cities is said to be due chiefly to the fact that consumers can get fresh-every-day products at less than the usual city prices. When housewives find they have purchased other than fresh products, the farmers' markets, as a whole, suffer from the unfair practices of the competing huckster, the Jersey officials say. (N.Y. Times, May 23.)

Section 2.

Farm Labor

The Progressive Farmer for May 19 says in an editorial: "The farm labor problem of the present and of the future will have to be met in the same way. Judged by what the South produces, compared with other sections of this country, there is no shortage of farm labor in the South. Indeed, judged from the production, we now have and always have had too many men on southern farms. One half the laborers now on our farms ought to and could, with a proper cropping system and with a larger use of farm power and implements, produce more than all are now producing. The necessary course is, therefore, plain--we must develop a cropping system, so improve our soils, use more power and machinery so as to enable each man to earn more. That is plainly the only solution and that will never be more than a partial solution, for in the future as in the past there will probably always be a shortage of farm labor from the viewpoint of the farmer or landowner."

Foreign Tariff

The Northwestern Miller for May 16 says in an editorial: "The British Government is apparently lending an open, if as yet unconvinced, ear to the clamorous arguments for a reversal of the national policy in the matter of import duties, and for the establishment of tariff protection for various home industries, and above all for the farmers, who have admittedly been hit hard in various ways. The following quotation from a letter recently received by an American miller from a well-known British flour importer illustrates the present situation: 'There is no doubt that the British millers are moving heaven and earth to get the 10 per cent of imported flour shut out in order that they may form a milling trust which would dominate, not only the flour business, but the bread business in this country.' "

Government Reports

The Journal of Commerce for May 21 says in an editorial: "Once more the Government comes forward to exert an unfortunate market influence, one committed without (so far as can be ascertained) the slightest warrant. A committee described as consisting of 'economists, bankers and business men' and including some of the familiar figures in the 'forecast' group of prophets, lately put forth with the sanction of the Department of Commerce an estimate of 6,800,000 bales as the probable 'carryover' of cotton on July 1 next. But now comes the expert of the Department of Agriculture and shows to his own satisfaction and apparently that of his department that the carryover is to be about 4,500,000 bales. This trifling 'error' of about 2,300,000 bales, or over 50 per cent of the lower of the two forecasts made public, is represented as due to a difference in the use of foreign figures for stocks on hand. To whatever it may be due, it is an error, or discrepancy, or any other polite term that may be chosen, which is more than unfortunate. It is exceptionally disturbing to the cotton market. Coming as it does soon after the recent regrettable sugar forecast it once more emphasizes the wrong and folly of giving out such forecasts and erroneous conjectures about the business situation when they are sure to hurt one side or the other in the constant play of competitive forces which is always in progress. Both these figures

can not be correct, nor is it feasible to explain the difference by any of the glozing words that are now being used. We have to-day, in short, two different departments of the Government in the business of forecasting, and they widely differ between themselves. We have the cotton market disturbed and speculators helped in their schemes for making money as a result. Ought this kind of work to continue? First and foremost let us have the real facts as to this cotton situation."

Home Demonstration Agents

H. J. Waters says in an editorial in the Weekly Kansas City Star for May 16: "Great as have been the achievements of the county agricultural agents, those of the county home demonstration agent have been greater...Farmers have been saved more than all the county home agent service has cost through teaching farm wives and daughters how to make their own hats....Now that this home service, long overdue, has been established, we must not let it be discontinued, particularly for the lack of appreciation on the part of farmers."

Railroad Consolidation

The Journal of Commerce for May 21 says in an editorial: "As the hearings on railroad consolidation progress, more and more doubt seems to surround the plans suggested by the Interstate Commerce Commission. These plans were prepared for the commission by a well known expert. It is not likely they are perfect or that any tentative plans so prepared could be. They are, moreover, subject to modification and change, as the witnesses and all concerned well know. But the trend of thought at the hearing is of far more interest and significance than the study or discussion of technique and detail. What is the view of railroad financiers and executives toward the general problem? With reference to this it would appear thus far that the executives do not believe such consolidations are likely to be of benefit. Two main arguments have been adduced on the side of consolidation: (1) That the change would produce considerable economies, and (2) that weak roads could be 'carried' and put into better and more satisfactory condition by reason of their relation to the stronger carriers. It may be that there is weight in both arguments, although not a few of those who are appearing before the commission are evidently of the contrary opinion. Whatever be thought on this matter it is, however, certain that neither of these arguments, nor any others conceived from the same or a like point of view, can be of effect unless railroad managers be definitely enlisted on their side. If the consolidation program is a thing apart, not attractive to the executives and of doubtful wisdom from their standpoint, it is not likely to succeed at all....There is unquestionably a general public demand for some action which will relieve the situation as regards the roads by effecting greater economies and operating benefits, and will at the same time bring about a much greater degree of safety and satisfaction on the part of the investor and lender. If this can not be accomplished there will be, beyond much doubt, a continuous growth of public dissatisfaction and agitation on the railroad question. What is demanded to-day from the railroad's standpoint is a recognition of the fact that a new era has arrived in connection with the transportation issue.

That our railroad policy in the past has been foolish and unjust no one could doubt. That the attitude of the railroads in former years was responsible for some of the public prejudice is probably true. To-day we have at all events an unfortunate situation in the transportation world and an attitude on the part of some executives that tends to make it worse."

Section 3.

Department of Agriculture 1 The American Fertilizer for May 19 says in an editorial: "The United States Government finds it hard to please the cotton growers. Last year the planters complained bitterly of the inadequacy of the crop reporting service. This year the Government extended its activities and prepared an estimate of the acreage to be planted. This caused even more violent protests, although the Government figures agreed well with independent estimates. It would be interesting to know just what would please the American Cotton Association."

2 The Daily Drovers Journal-Stockman for May 16 says in an editorial: "Some of the newspapers, especially the farm and trade papers, are getting a good deal of amusement out of a paragraph that appeared the other day in the Government's official publication, Weather, Crops and Markets. The paragraph is as follows: 'Growing seeds and distributing or selling seeds are two separate and distinct functions, each of which can be performed more efficiently by the agency specializing in that branch of the seed business.'....Every business man has always realized the fact and criticised many of the Government's bulletins for ignoring it or disputing it....Now that our great Government has reluctantly and grudgingly admitted the fact that the production of crops and the distribution and merchandising of them are two separate and distinct functions and both are equally important, it may help clear the atmosphere and save farmers and stock growers from some of the apparently feasible projects that have always proven so costly in the past."

3 Fruit Trade Journal for May 19 says in an editorial: "The interest now centered upon California cantaloupes must appeal to every fastidious taste and testifies eloquently to the growing love of consumers for this delectable product. No little credit for the popularity which these melons have achieved is due to distributors....A part is due to the aid given by the United States Department of Agriculture in preparing the melons for market, regulating shipments and in marketing the crop. This is the exact truth, and it can not be repeated too often."

Section 4.
MARKET QUOTATIONS.

Farm Products

May 22: Grain.- Wheat had strong undertone on the 22nd and rallied quickly from all setbacks. Export demand slow. Corn lacked support and prices lower most of session but firmed up toward last and closed fractionally higher on short covering influenced by strength in wheat. Closing prices in Chicago cash market: No.2 red winter wheat $1.30;No. 2 hard winter wheat $1.22; No.2 mixed corn 82¢; No.2 yellow corn 84¢; No.3 white oats 44¢. Average farm prices: No.2 mixed corn in Central Iowa 69¢; No.2 hard winter wheat in Central Kansas $1.05.

Chicago hog prices opened 5 to 10¢ lower and closed mostly 10¢ lower than Monday's average. Veal calves steady to strong, other classes about steady. Chicago prices: Hogs, bulk of sales $7.15 to $7.55; medium and good beef steers $8.85 to $10.30; butcher cows and heifers $5.10 to $10; yearlings $8.75 to $13.75. Prices good grade meats: Beef $15.50 to $17.50; veal $17 to $18; lamb $27 to $31; light pork loins $18 to $20; heavy loins $12 to $16.

Florida Spaulding Rose potatoes $7.50 to $9.50 per barrel in city markets. New York Round Whites $1.50 to $2 in eastern markets. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in city markets; $2.20 f.o.b. shipping points. Virginia and Carolina pointed cabbage $1.75 to $3 per barrel crate in eastern cities. Virginia and North Carolina strawberries, various varieties, 10¢ to 18¢ quart basis, Arkansas Klondikes $2.50 to $5 per 24-quart crate in consuming centers, $2 to $2.25 f.o.b. Tennessee Klondikes $2 to $3.50 in city markets; $1.75 to $2.50 f.o.b.

Spot cotton prices advanced 118 points, closing at 27.46¢ per lb. New York May future contracts advanced 131 points, closing at 28.45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 22,	May 21,	May 22, 1922.
20 Industrials	93.58	92.77	94.66
20 R.R. stocks	80.66	80.13	86.12

(Wall St. Jour., May 23.)

Section 1.

Wannamaker Attacks Cotton Estimate — A dispatch from St. Matthews, S.C., to the Philadelphia Ledger to-day says: "Charges that the crop-reporting bureau of the Department of Agriculture arbitrarily added 5,000,000 acres to its estimate of cotton harvested in 1921 and that the figures were left to stand as a basis of comparison for the crops of 1922 and 1923 were made at St. Matthews, May 23, by J. S. Wannamaker, president of the American Cotton Association. The statement attacked Secretary Wallace for failure to acknowledge that the crop forecasts issued last month were incorrect, as charged by Mr. Wannamaker."

Plans to Withhold Cotton — A dispatch from Orangeburg, S.C., to the New York Times to-day says: "The American Cotton Association is planning a movement throughout the South to withhold the crop until it reaches a price level where farmers can make a 'legitimate profit,' J. S. Wannamaker, president of the association, said in an address at Orangeburg, May 23. The plan outlined by Mr. Wannamaker would provide for the buying of bales of cotton by individuals, clubs and corporations, the cotton to be stored in warehouses and the certificates and trust receipts placed in banks, with the condition that the cotton was not to be sold within a period of one, two or three years, unless cotton went up to 50 cents a pound before the time agreed upon."

War Finance Corporation Report — The Associated Press to-day says: "An encouraging estimate of business conditions and a promise of further help by the War Finance Corporation were contained in a statement made yesterday by Fred Starek, acting head of the corporation, after a conference with President Harding. Mr. Starek declared that despite the impression in many quarters, the corporation was making no effort to force liquidation of the loans of many millions of dollars it has outstanding, and predicted Congress would be asked at its next session to pass additional legislation for the relief of cattle interests in the Southwest, whose herds have been taken into Mexico for grazing.... As managing director of the corporation, Mr. Starek recently made a tour of the South and West, traveling many thousands of miles by airplane and inquiring into the financial condition of many industries....'I discovered no cause for gloom anywhere, but every reason for optimism,' Mr. Starek said in discussing his survey of business conditions. 'With the exception of certain isolated portions of the Northwest, the agricultural regions I traversed suffered the most acutely from postwar deflation and demoralization and from drought and other natural causes, like the boll weevil, and yet even in these sections people regard the future cheerfully....The farmer and cattle grower are slower in coming back to normal than the manufacturer, industrialist, banker and mechanic. A serious situation confronts the cattle industry of this country, and earnest attention should be given to it. There has been a diminution of breeding herds, by reason of excessive demands during the war period and later on account of forced liquidation due to their financial condition.' "

Section 2.

Business

The Journal of Commerce for May 23 says in an editorial: "A slowing down in a good many branches of business is now admitted. Even those who have been most reluctant to concede the fact of such a recession recognize it. Fortunately the consensus of opinion is that it will not go very far and that there is abundant ground for expectation of revival of demand consequent upon readjustment of prices and wages. The episode, however, raises some important issues both of fact and of theory. In most preceding reactions or depressions it has been customary to blame shortage of credit or lessening of bank accommodation or some other factor of a like sort. On this occasion there has been no such cause of interference with 'prosperity' or with the development of business but, on the contrary, there has been a full and generous supply of funds for all practical purposes. The business machine has been left to run about as it chose and with as little regulation as could be expected. There is, therefore, a good deal to be learned from its functioning, in certain aspects. Outstanding among such lessons is the utter inability of forecasters to see exactly at what time a recession or reaction will occur. Few or none had predicted the coming on of decline at the present moment and hardly any had expected that it would set in until the autumn. Some had made the decision of the community as to probable decline dependent upon the size of the crops, and the chance or prospect of such a decline unlikely to occur unless there should be an agricultural failure of some sort. Still others were unable to foresee any likelihood of falling off in business so long as demand and production continued large, and they were apparently of the opinion that there was no reason why such large production and distribution should not keep up indefinitely. There is thus need of far better and more accurate information with regard to business conditions and the probable movement of business currents than is now available. Broader statistics, particularly regarding stocks on hand, output in different lines and mercantile credit conditions are essential."

Business in Canada

The New York Times for May 23 says in an editorial: "The Royal Bank of Canada in its monthly review of trade says that a survey of conditions in Canada discloses that the Dominion is not enjoying any such prosperity as has been enjoyed in the United States. The earlier months of the year brought forecasts of coming improvement, but this improvement is rather more delayed than was anticipated. Retail buying has been disappointing for the most part in all sections of the country, and this has been reflected in wholesale orders. Prices of agricultural products have been unusually low for some time and little improvement has as yet taken place. Lumber operations during the winter and early spring were interferred with by the lateness of the spring. 'Why is Canada not experiencing the prosperity which exists in the United States?' asks the bank, and proceeds to explain: 'In the first place, if the business activity during the war period resulted in a net increase in the wealth of Canada, such an increase bears no proportion to the financial benefits realized

by the United States. Canada is dependent to a proportionately greater extent on agriculture than is our neighbor to the South. Further, the movements of the business cycle are never so pronounced or violent as in the United States, and relative movements in Canada usually occur after an interval, averaging probably six months. There is undoubted evidence of a revival of industrial activity in practically all lines."

Cotton

Commerce and Finance for May 23 says: "Looking ahead, no one questions the world's need of cotton. There is a question, however, as to the price at which it will buy in proportion to its normal requirements, and it is between that and the uncertainties of the coming crop that the trade's attention is now divided. This has been reflected in the continued nervousness and irregularity of the market during the past week, and while the effects of a firmer technical position have been clearly evidenced by sharp rallies, the failure of advance to bring in more general buying shows that confidence has not yet been fully recovered. Doubtless traders are waiting for some sign that prices have gone low enough to stimulate demand for consumption, or for new crop prospects to develop more convincingly, before taking too determined a position on the market....The feeling against commodity prices in general remains in evidence. It has been promoted by the continued nervousness of the stock market, and such features as resistance to building costs and the declines reported in copper and copper products. So far, however, there has been nothing to indicate that the slowing down of retail trade reported in some directions has resulted from anything more lasting than unseasonable weather throughout the country. With a few days of higher temperatures and more settled conditions we shall probably hear of increased turnovers. And it is not unreasonable to suppose that such price resistance as was developing to cotton on the basis of 30 cents for raw material has been minimized by the declines of 5 to 7 cents per pound from the high records of last March. Reports from the primary goods markets, both in this country and Manchester, indicate a continued lack of confidence in values, but so far as the domestic markets are concerned, at least, this seems to be based on the recent decline and present unsettled ruling of raw cotton rather than on any real difficulty in securing retail distribution. The problems abroad are more serious, and when we think of export possibilities generally we must remember that, as holders of the world's gold, we must buy over the tariff wall if we expect to sell. The fundamental fact remains, however, that the world's supplies of cotton textiles are small; that needs are doubtless accumulating; and it is altogether likely that any show of real strength in raw cotton would bring buyers into the goods markets."

Farm Labor

Labor for May 19 says: "American agriculture is in a bad way, but it can not be saved through the importation of cheap labor. Italians would not be likely to accept conditions which are unsatisfactory to southern negroes. The same economic urge which causes the negroes to go North would induce the Italians to follow in their footsteps...We must do away with absentee landlordism. The American farmer must own the land he cultivates."

Forestry Groups to Consolidate

Consolidation of the National Conservation Association with the American Forestry Association, effective June 1, was announced yesterday at the Washington headquarters of the latter organization.(Press, May 24.)

Government Reports

The Journal of Commerce for May 23 publishes a telegram from the Secretary of Commerce, in which he denies the sanctioning of "a committee of economists and others who put forth under sanction of the Department of Commerce an estimate of the probable carryover of cotton on July 1 next".

Livestock in Canada

The Canadian Farmer for May 19 says in an editorial: "The fact that approximately 20 per cent of all the hogs killed at inspected abattoirs are affected with tuberculosis shows just how widespread the disease is in Canada. The percentage has increased steadily during the past twenty years and clearly indicates that the campaign against the disease inaugurated by the Dominion Health of Animals Branch was not started any too soon."

Packer Freight Rates

The National Provisioner for May 19 says: "Meat packers in Iowa have filed a complaint with the Interstate Commerce Commission which threatens to bring about a controversy that will involve not only these packers and the eastern railroads, but also eastern packers, livestock commission interests and even the producers' organizations. In fact, the situation may develop to the point where it is a case of East vs. West, in the effort to obtain or maintain freight rates which shall give a trade advantage to one as against the other. It involves not only the selling power of western packers in eastern packinghouse product markets, but it also affects the buying power of eastern packers in western livestock markets. While it will be a friendly controversy, yet it is one vitally affecting the business of everybody concerned. The complaint asks that the carriers be required to establish just, reasonable and non-discriminatory rates on meats, but also asks that 'in no event should rates for the transportation of fresh meats and packinghouse products (cured meat in packages and in bulk) exceed rates contemporaneously in effect from the said Mississippi River crossings to the same destination points upon livestock.' The National Provisioner expresses no opinion as to the merits of the discussions. It merely expresses the hope that all sides will be ably represented, and that all facts will be fully and fairly presented to the Interstate Commerce Commission. Moreover, it is to be hoped that out of the maze of conflicting evidence a relative basis is agreed upon which will let each group continue to operate in the competitive fields."

Rail Board Reelects Hooper

A Chicago dispatch to the press to-day states that Ben W. Hooper, former Governor of Tennessee, May 23 was reelected chairman of the United States Railroad Labor Board for 1923 in the first executive session held since President Harding filled three vacancies.

Production and Distribution

Alvin E. Dodd, manager of the domestic distribution department of the Chamber of Commerce of the United States, in an address before the annual convention of the National Association of Garment Manufacturers, at Chicago, May 23, said: "The one stupendous obstruction to the orderly conduct of business in this era is the extreme of fluctuation in production and price. We alternate between short periods of plenty and longer stages of comparative starvation. No one benefits by our peaks and everyone suffers while traversing the valleys except perhaps a few speculators who profit almost, if not wholly, accidentally. Money which appears to have gained during the extremes of high prices usually must be spent in preserving a business through the processes of recovery from the sudden and certain price declines.... Business to-day has no conception apparently of a reasonable and safe level but grasps every opportunity to produce more and to sell more.....It is due largely to the mistaken conception that more business, more sales, means better business in an unlimited degree without any recognition of the fact that business is a sponge which has limited powers of saturation. So far as I can recollect I have never seen a budget which did not contemplate an enlargement of the product or the sales based upon a study of the business history and almost blind to the question as to whether the previous volume was satisfactory. If we could only fix in our minds the idea that more business carried to its ultimate point means disaster just as less business carried to its ultimate point means failure, we should find a safe road to that happy haven known as 'good business'. The push, struggle and crowding resulting from the unqualified effort for more business is the source of many if not most of the difficulties which you and other business men face.....You have suffered with the rest of society from the periodic disturbances following overproduction which leads to idle factories, unemployment due to idle factories, suspended purchases due to unemployment and so on down to the depths from which we struggled in 1920 until the same cycle is followed to another peak of prosperity and another well of despair. More business carried on indefinitely inevitably leads to less business until a balance is struck and the average of safe business is established....Your great problem, as I see it, is to determine the safe level of production adhering as closely to the manufacture of articles for which a market exists and without counting upon the creation of demand in any large degree. Anticipated demand is a first cousin to speculation; speculation may be defined as uncertainty; and uncertainty is the bane of business."

Water Power

The Wisconsin Agriculturist for May 19 says in an editorial: "The present law permitting the State to acquire and develop water power sites and the development of every additional water power just as fast as feasible is an asset to the State, whether or not the State takes them over or permits private people to continue to own them. Every new hydro-electric plant conserves more coal, relieves the congested railroads, adds to local and State incomes, decreases the cost of power and light in the communities served, induces manufacturing and brings more of the comforts and

conveniences of life to the farmer and the city dweller. The State should continue to maintain such water power to see that they are not capitalized for the benefits of individuals or corporations; but if the State can not develop these water powers then let corporations develop them and pay proper revenues to the State in the form of taxes including licenses in some fair manner than will compensate the people."

Section 3.
MARKET QUOTATIONS.

Farm Products

May 23: Wheat market closed lower on the 23rd. Corn heavy in face of reports that seed is rotting in ground and replenishing is necessary. Buying power limited as in wheat and confined to resting orders and short covering on breaks.

Chicago July wheat lower at $1.17 1/2; Chicago July corn lower at 79 1/8¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.30; No.2 hard winter wheat $1.22; No.2 mixed corn 82¢; No.2 yellow corn 83¢; No.3 white oats 45¢. Average farm prices: No.2 mixed corn in Central Iowa 68 1/2¢; No.2 hard winter wheat in Central Kansas $1.05; No.1 dark northern wheat in Central North Dakota $1.04.

Chicago hog prices opened steady to 10¢ lower, bulk of sales $7.10 to $7.50; beef steers firm at $8.85 to $10.35; butcher cows and heifers $5.10 to $10.00; stockers and feeders generally steady at $6.75 to $8.50; veal calves $8.25 to $11.50; fat lambs $12.50 to $15.00.

Florida Spaulding Rose potatoes mostly $7 to $8.50 per barrel, firm at $9.50 in Boston. No sales reported at shipping points. South Carolina Wakefield cabbage $1.50 to $1.75 per barrel crate. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in city markets, $2.20 f.o.b. shipping points. Virginia and North Carolina strawberries mostly ordinary condition 8¢ - 15¢ quart basis, 18¢ to 20¢ in New York City.

Spot cotton down 4 points, closing at 27.42¢ per lb. New York May future contracts down 25 points, closing at 28.20¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 23,	May 22,	May 23, 1922.
20 Industrials	93.90	93.58	94.70
20 R.R. stocks	80.91	80.66	85.94

(Wall St. Jour., May 24.)

For Secretary's Office DAILY DIGEST May 25, 1923.

Section 1.

Farm Problems Terming the problems of the farmer of vital interest to the Nation and of greater importance than the railroad situation, Charles E. Lobdell, Federal Farm Loan Commissioner, yesterday made an appeal to the bankers of the United States to aid in their solution. In an address delivered at the second day's session of the twenty-ninth annual convention of the Pennsylvania Bankers' Association, Mr. Lobdell said recent enactment of agricultural credits legislation will materially aid in stabilizing the industry. Pointing out the serious effect that would result to the economic structure of the country through a decrease in the purchasing power of the farmer if the farming industry should fail, the speaker said the investment in agriculture is $78,000,000 in excess of the total investments of three other great industries in the United States, including railroads and steel manufacture. Mr. Lobdell said the banking and credit facilities afforded the farmer by the 1923 agricultural act should have been assigned to the Federal Reserve Board for operation. He called upon the bankers to accept it as a permanent fixture of the financial structure of the country.(Phila. Ledger, May 25.)

Rural Credit Loan The press to-day says: "The first loan has been made under the new intermediate rural credits law, according to an announcement by the Federal Farm Loan Board, which was informed May 24 that the Springfield, Mass., credit bank had concluded a loan to the Farmers' Fund, Inc., of Rochester, N.Y. The loan aggregated $50,000 and the money will be supplied to farmers at 6 per cent interest."

Agricultural Prosperity The Washington Post to-day says in an editorial: "The report of conditions in livestock and agricultural industries of the West submitted to President Harding by Fred Starek, acting head of the War Finance Corporation, corroborates the earlier reports of recovery of prosperity. Mr. Starek's statement of conditions was evidently made with care. The author does not overstress the improvement noted and, while discounting warnings of present inflation, does not discount the possibility of such untoward development in the future, if recovering industries do not watch their step and if they fail to intrench themselves as recovery advances."

Fruit Picking Wage The Philadelphia Ledger to-day says: "Strawberries will not drop to unusually low prices and much fruit will probably spoil on the vines because of labor shortage, according to reports from fruit growers in New Jersey and Delaware. Where pickers formerly received from 1 to 2 cents a box, they are now getting 2½ to 3 cents, and experts are making around $15 a day, being able to fill from 500 to 600 boxes."

Section 2.

Canada's Forest Fire Precautions

The New York Times for May 24 says: "With the necessity of enforcing more drastic fire-prevention regulations in Canada as the years go by, the systems of precaution and protection against forest fires are becoming more and more rigid. The fire wastage which takes place each year, together with the annual commercial exploitation which is continually increasing, would, without most elaborate precautions, rapidly deplete the timber supplies of Canada, once called inexhuastible, but which now are seen to have the same possibility of disappearance as happened in other countries under careless methods. New Brunswick's fire-protection program may be taken as a criterion of what is being done in the Dominion, according to the Canadian Pacific Railway, and this year a total of $750,000 is to be expended to carry out the plans of extension projected by the Department of Lands and Mines.....Two systems of fire precaution upon which additional expenditure is to be made this year are those of lookout towers and the telephone service linking up these towers through forest telephone lines with the commercial system. A further precautionary measure in the woods adopted this year will be the establishment of a forest permit system, for which provision was made in the legislation of 1922, after the system prevailing in Quebec, which has worked out so admirably.....The effect of New Brunswick's rigorous enforcement of forest fire precautionary measures is evidenced in the Crown Lands reports for the last year, Fire losses in 1922 were 95 per cent less than the average of the four previous seasons, and the area burned over was 86 per cent below the average acreage devastated in the same period. The number of fires reported was 113 last year, as compared with 250, the average for the last four years, and 495 in the most disastrous year, 1921. The Province is richer by more than $500,000 as a result of its greater precautionary measures, while the total expenditure on forest fire prevention protection in the season was only $38,000."

Cooperative Marketing

The Oklahoma Farmer for May 25 says in an editorial: "One unexpected effect of cooperative marketing associations is showing up in Arkansas. Members of the Cotton Growers' Association there are not seeking credit to the extent which has been customary in previous years. The advance payment, which was received when the cotton was turned over to the association last fall, was all spent as usual. If the cotton had been sold outright at that time, that would have been the end of it. The creation of new debts would have begun as usual in January. But the delayed additional payments on the cotton have been coming along. Expenses have been met without borrowing. Such a taste of freedom and independence may encourage a few to scrap it through the summer without going into debt."

Immigration

The Secretary of Labor says in an article in The Philadelphia Public Ledger for May 24:".....It is unnecessary to point out the evil of throwing open the gates at a time of prosperity in order to flood the country with workers and non-workers, whose very presence would serve to bring prosperity to an end. It is a

shortsighted policy to seek cheap labor through immigration. To-day, because of the demand for workers, there is a perceptible movement of common labor of a low grade from a contiguous country. Large groups of this nationality are finding their way into our mills and factories. Employers who have taken on these men admit that an upstanding American workman would do two and one-half times the work that is accomplished by the individual of this racial group. That being so, it is quite apparent that it is cheaper to pay an American worker twice the wages which such labor receives. It is one thing to admit foreign laborers; it is quite another to admit merely 'immigrants.' Yet those who clamor for the repeal of all restrictive immigration laws seem to have failed to catch the true significance of that difference. They ask for more Irish, more English, more Welsh, more Germans, more Hollanders, more Scandinavians and more Belgians--men who will till the soil; men and women of the pioneer types for industries, such as were so largely instrumental in building America to the perfection it has attained. They fail to realize, or else refuse to note, that during the last fiscal year not a single person of those racial groups was prevented from emigrating to the United States because of the act limiting the number which could be admitted lawfully. On the other hand, it is said that the very fact that there has been a limitation upon the number which can come from certain countries of Eastern and Southern Europe has induced a larger number to leave the northern and western portions. The fact that competition from immigrants of lower living standards has been limited has increased the flow of those of the higher; and it is everywhere recognized that the man with the higher standard of living makes the better workman....The farmer who wants farm labor doesn't profit by throwing down the bars to a lot of middlemen, who will run down the market for him and add a few cents to the consumer. It is gratifying to know that the quotas from virtually all of the northern and western countries of Europe will be filled during the year ending June 30, 1923. At that time a new quota will be opened, which can not possibly be exhausted from those countries before the middle of winter. There could be nothing gained by throwing down the bars altogether at this time; and Congress has promised us a safe and sane system of selecting immigrants of the types we need at the next session....."

Implement Prices The Nebraska Farmer for May 19 says: "There has been a good deal of complaint about high prices for farm implements. The result has been that, during the last two years, farmers have limited their purchases of farm implements to the minimum, in consequence of which the condition of farm equipment has been seriously impaired. Some reductions in farm implement prices have been made since the peak was reached, and, in turn, the prices of farm products have appreciated. This change seemed to foretell a readjustment of exchange value between these two important commodities, but it now develops that farm implement manufacturers are obliged to make some increases in prices. As this is done, there will be agitation again against the farm implement manufacturers, and it will be contended, no doubt, that the rise was unwarranted.

For the information of our readers, we quote these substantial facts: During the last twelve months the following increases in the cost of manufacture of farm implements have occurred: Pig iron 61%, steel 46%, labor 40%. Other items vary from 10% to 130%. The actual cost of manufacture increased approximately 44%. The prices to the consumers increased approximately 19%. In our discussion of this subject with farm implement manufacturers we are convinced that they regret this increase in price more than anyone else, but they state that it is unavoidable. There is no industry, aside from agriculture, that suffered more seriously from the postwar deflation than the manufacture of farm implements. Some of the largest concerns are now in the hands of the bankers as a result of the losses that were then suffered. Practically all of the rest have been manufacturing without profit. Only those have survived that had large reserves. The draft upon these reserves has been so great that they can no longer stand the burden. To follow this policy further would be to invite disaster ....."

Section 3.

Department of Agriculture

New York Commercial for May 23 says in an editorial: "A paragraph in the annual report of the Secretary of Agriculture has called forth considerable comment now that attention has been drawn to it. Mr. Wallace says: 'The greatly accelerated movement of farmers, and especially farmers' sons, from the farms to the cities and industrial centers is one of the hopeful signs.'....At first reading it has been difficult to assume that Mr. Wallace intended to regard the exodus from the farms as a hopeful sign and his use of the adjective was challenged not only in his own office but in the Government Printing Office. The Secretary, however, was correct in his contention that a parity should be established between farm and industrial labor, but the point to be considered is how that relationship is to be attained. The cause of the disparity is the question of supply and demand. There is a greater demand for manufactured articles in relation to production than there is for farm products. Manufacturers can regulate their production, where seemingly farmers can not. Mr. Wallace is not correct, however, in his declaration that the public is willing to pay more for labor in the trades than on the farm. It is not a question of willingness but of necessity. If the labor unions have control we must either pay or go without, and in the building trades we are now making up our minds to go without. Painters have demanded and secured in this city $10 a day and a five-day week. There would be no objection to paying them $10 a day if they would do ten dollars' worth of work, but when they are decreasing their output and just plain loafing one day a week it is forcing the public to pay for idleness and the Secretary may rest assured that there is no willingness on the part of the public to do that. The Secretary is alsoslightly off the track in assuming that it is the refusal on the part of the public to pay farm labor what it is worth that is the cause of the trouble. The only way the public could do that would be to go without using farm products and there is certainly no evidence of that. The trouble is that the American public can not use all the farm products raised and the farmers

must therefore turn to foreign publics to use up the surplus, which is not being done in the degree necessary. The alternative is for the farmers to produce less, which is what Mr. Wallace really means when he declares it to be a hopeful sign that farmers are turning to industrial labor. The real key to the situation, however, lies in developing our foreign markets so that the increase in the prices of farm products will be based upon additional demand rather than diminished supply."

Section 4
MARKET QUOTATIONS .

Farm Products

May 24: Sitaution unchanged on the 24th and wheat had range about 1 1/2¢ closing fractionally lower than yesterday. Corn strong after early weakness but support did not follow up-turns and profit-taking brought about reaction from best figures. Chicago July wheat lower at $1.17 1/4; Chicago July corn higher at 79 1/2¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.31; No.2 hard winter wheat $1.21; No.2 mixed corn 82¢; No.2 yellow corn 83¢; No.3 white oats 45¢. Average farm prices: No.2 mixed corn in Central Iowa about 69¢; No.2 hard winter wheat in Central Kansas $1.05; No.1 dark northern wheat in Central North Dakota $1.04.

Chicago hog prices mostly 10¢ higher, bulk of sales $7.20 to $7.60; beef steers mostly 10 to 15¢ lower at $8.75 to $10.45; butcher cows and heifers steady at $4.90 to $10.00; veal calves $8.00 to $11.50; fat lambs 25¢ lower at $12.50 to $15.00; fat ewes 25¢ to 50¢ off at $4.00 to $7.25.

South Carolina Irish Cobbler potatoes $6.50 to $7.50 per barrel in eastern markets, $6 to $6.50 f.o.b. shipping points. Alabama and Mississippi pointed cabbage $3 to $4 per barrel crate in midwestern cities. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in wholesale city markets, $2 to $2.15 f.o.b. shipping points. Arkansas Klondike strawberries in 24-quart crates brought $2.50 to $3.50 in midwestern cities and ranged $1.50 to $1.75 in producing sections with Aromas selling at $2.50 to $3 f.o.b.

Closing prices, 92 score butter: New York 40 1/2¢; Philadelphia 41 1/2¢; Boston 41 1/2¢; Chicago 38 1/2¢.

Spot cotton up 32 points, closing at 27.74¢ per lb. New York July future contracts up 32 points, closing at 27.05¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	May 24,	May 23,	May 24, 1922.
20 Industrials	96.03	93.90	94.36
20 R.R. stocks	82.70	80.91	85.66

(Wall St. Journal, May 25.)

For Secretary's Office DAILY DIGEST May 26, 1923.

Section 1.

Economic Information a Necessity — An Atlantic City dispatch to the press to-day says: "There can be no economic stability to society unless economic education among the people increases in keeping with the economic complexities of modern life, J. H. Puelicher, president of the American Bankers Association, told the convention of the Special Libraries Association at Atlantic City May 25. 'Unless there is a greater economic understanding, misinformation and the attacks of the political demagogue and the agitator may undermine the strength of the financial system which we believe to be necessary for the stability and safety of our country,' Mr. Puelicher said."

Timber Famine Predicted — A London dispatch to The New York Times of May 25 says: "Forestry experts in many lands fear a world timber famine before many years pass, according to the British Forestry Commissioners, who say that the results of such a famine will be more disastrous to the United Kingdom than to any other country. The virgin forests are being used up far more rapidly than has been supposed. Many other countries in Europe fear such a famine, and the commissioners urge that measures be taken at once to meet the situation. They are taking steps to ascertain what reserves of coniferous timber are available and how long they are likely to last; but foresters say there can be little doubt that in the near future the British Government will have to choose between resuming the extensive planting program adopted by Parliament at the close of the war and running the risks of deforestation."

Middle West "Radicalism" — "Why the Middle West Went Radical" is the title of a lengthy article by Chester H. Rowell, in World's Work for June. In this Mr. Rowell says: "....There was, of course, a much deeper economic situation, or no such movement would have been possible. This is the region unpolitically described as the 'stomach of America.' The population is predominantly rural, and it raises wheat, corn, and hogs. The pioneers reclaimed the soil from the virgin prairie. Their successors capitalized themselves from the 'unearned increment.' Now the present generation must look for a return on both its investment and its labor to the annual product of the farms. Up to the beginning of the war, the economic position of the farmers, as measured by that of persons engaged in business and industry, had been gradually improving, and during the war it improved very rapidly, both relatively and absolutely. After the close of hostilities the upward trend of prices continued with unexpected speed. Part of this was inflation, part psychology, and part European demand, supported by American credits. Suddenly, in August, 1920, the whole structure collapsed.....The crop of 1920 was sold at less than the cost of production. Banks curtailed credits, and 'passed the buck' to the alleged orders of the Federal Reserve Board. And, by a fatal coincidence, the vertical increase in freight rates coincided almost to a day with the vertical drop in the price of farm products. These products being cheap and bulky and marketed at long distance freight rates are a larger proportionate factor in their marketing than is the case with finished manufactured products. Also, the farmer pays the freight both ways. He pays 'Pittsburgh plus' for his steel, and gets Minneapolis or Chicago minus for his grain and livestock. To the farmers it appeared that they were being discriminated against, not by the operation of natural laws, but by the unfairness of Government...."

Section 2.

Agricultural Conditions

Daily Drovers Journal Stockman for May 22 says in an editorial: "Agricultural America has been attributing much of the financial distress of the past two or three years to the fact that European exchange was so unsettled that there was only a limited export outlet for our surplus farm products. To a certain extent this has been so. Starving Europe would undoubtedly have been a liberal buyer of American foodstuffs if she had had the price. The farmers over there were not producing enough to supply their own needs. In this country there has been a very general belief that when affairs got straightened out in Europe there would be an immediate and heavy demand for grain and livestock products and the American producers would profit accordingly. There is another side to the proposition, however, that has been overlooked to some extent. When conditions are normal across the water the European farmers produce nearly enough to supply the domestic demand and the stabilization of Europe would mean a full return of the producing power of her farmers. In short, as a writer in the Kansas City Star points out, a stabilized Europe would mean an immediate reduction in the need for foodstuffs from America....On the face of these statistics it is a serious question whether the American farmer would profit by a return of the Old World to normality. In fact, if the Russian peasant settles down and that country once more becomes an exporter of grain and livestock products, the American farmers and stock growers are almost certain to suffer seriously from the competition. Sentiment is a fine thing, but it is well to guard against being carried away by it. The cold, hard facts are that stabilizing Europe, if such a thing is possible, means an era of the stiffest kind of competition for the American farmer and stock grower and it is the part of wisdom to be awake and wise to the prospect."

Canada Said To Seek News Print Control

A Cleveland dispatch to the press of May 25 says: "Canada is determined to control the paper industry on this continent, Dr. Hugh P. Baker, executive secretary of the American Paper and Pulp Association, declared at Cleveland, May 24, in an address before the Cost Association of the Paper Industry. The permanency of the industry in the United States is largely dependent upon the protection of the Nation's forests, he said. 'Undoubtedly, the paper industry of the United States faces an increase in the cost of the pulp wood now being imported from Canada through the proposal now being considered in Canada to impose an export tax upon all pulp wood exported to United States mills,' he said. 'An export tax upon wood from freehold lands, if not a complete embargo upon wood from those lands, is very imminent. Within a year or two Canada will be producing more newsprint than the United States. It is entirely within the bounds of probability for us to look forward to an export tax upon Canadian newsprint as soon as Canada feels that she has that phase of the industry on this continent well within her control. Such a tax has already been suggested in Canada.' "

Economic Forecast A Boston "economic service" makes the following "purely mechanical forecast": "(1) Industrial stocks have reached or already passed the high point for the cycle. (2) Business activity and commodity prices will reach their peak seven months from the peak of industrial stock prices, or in October." Clients are advised to sell oil stocks "since the great production of crude oil is one of the bearish factors in the general situation." Steel, copper and sugar stocks should be held for higher prices. Then to make sure that its forecast will be right either way the service adds: "In case of a reversal of our barometer during the summer months we shall advise the purchase of additional stocks for the fall market....There is a reasonable probability that the barometer may reverse in a few months." In other words, here is a "ferryboat" forecast so constructed that it can operate in either direction. This particular forecast is an illustration of the high sounding "services" foisted on the uninformed. Hundreds of business cycle theories have been developed that have been swallowed by ordinarily sane business men until a large part of the present nervousness in regard to the industrial situation is traceable to the fears caused by these theorists. All that is needed is just a little plain common sense. (N.Y. Commercial, May 24.)

Farm Population Farm Life for June says in an editorial: "Many persons are much distressed because the farm population is decreasing. We do not see why they should be concerned about the fact. It is natural. Machinery takes the place of human hands, and the machinery is made in city factories. The man who makes a plow is an agricultural worker, helping to produce bread for the world. So is the man who mines the iron and processes it, the man who gets out the timber for the wooden beam, the man who transports the material, the man who sells it. This obvious fact has been pointed out in these columns before, but it will stand repeating now when the world seems alarmed to learn that the farm population is falling off."

Negro Migration "The Manufacturers Record has always taken the ground that a moderate movement of negroes from the South to the North and West would be beneficial to the whole country. On that point we constantly criticized Booker Washington's efforts to keep the negroes in the South... As a laborer in the South the negro is a great asset, but in the past he has often been to a considerable extent a liability. His very presence there has caused a low rate of wages, and low salaries, and the white man is, therefore, made to suffer more than the negro. To a too large extent the South has learned to depend upon the negro as a laborer and for family service. Labor has been so cheap that labor-saving machinery in the home and on the farm and in the factory has not been utilized to the same extent as in sections where labor is scarcer and higher and where every modern device must be used to lessen the amount of manual power and increase the amount of labor-saving machinery power. The fact that negro labor is not essential to the extent that has been generally supposed in the raising of

cotton even is shown by the fact that in Texas and Arkansas, two of the largest cotton growing States in the Union, the bulk of the cotton crop is raised by white labor." (Manufacturers Record, May 24.)

Plant Quarantine

Farm and Ranch for May 19 says in an editorial:" The 5th annual conference of the Western Plant Quarantine Board will open its sessions in Phoenix next Monday morning. This organization was formed less than a half dozen years ago, because each State was working entirely independently and, with its power to quarantine and prevent entrance of products of another State, often created a condition which induced retaliatory action on the part of that other. Fair-minded men soon rebelled against this procedure and organized an association composed of the quarantine officials or Department of Agriculture people in the different States. This has resulted in a rule of reason rather than of force. The cooperative spirit which has prevailed will doubtless result in closer cooperation after the Phoenix meeting."

Seed and Cherry Growers Join Cooperatives

Seed and cherry growers are the latest recruits to the cooperative movement in New York State, according to M.K.Fennell in the American Agriculturist. The New York Seed Improvement Cooperative Association, Inc., has as its aim the use of better seed by New York State farmers. The association is now set up and ready to inspect and certify crop seed raised by members..

Sugar

A Havana dispatch to the press of May 24 says: "Cuba's sugar crop, according to estimates which are described as certain, will be less than 3,700,000 tons. Of the 194 mills that operated during the present season, 158 already have completed their grinding, their production being 2,758,231 long tons. The estimated production of the mills still operating is 942,390 long tons, but it is probable these mills will not reach their estimated production. The shortage, as compared with the Federal Sugar Company's first estimate, is placed at 500,000 tons."

Wage Situation

New York National City Bank says in its May bulletin: "As between the farmers and wage earners, where the chief issue now lies, a rise of wages without any corresponding rise in the prices of farm products means that to the extent that the wage earners consume each other's products they pay for the rise themselves, while in the case of the farmer as a normal consumer, his purchases will be reduced and the falling off will affect the industries unfavorably. The same is true of all classes except the particular wage earners whose wages have been increased. Moreover, in the long run if the compensation of the farmer remains below the level of that in the other industries there will be a shift of labor from the farms to the industries until higher prices for farm products or lower compensation in the other industries restores the equilibrium."

Section 3.

Department of Agriculture

Farm Life for June says in an editorial: "That is the latest word that comes to us from Secretary of Agriculture Wallace. 'The general agricultural outlook now is probably the best it has been in three years,' he delcares, and attributes the fact to the increased prosperity in the cities. Wages are generally high, and it is not hard to get a job. This, of course, draws labor from the farms, and there probably will be a pinch to get enough help at harvest time, but it enlarges the market for farm stuff and at the same time decreases the number of agricultural producers. This 'drift to the cities,' which right now seems to be at its height, is probably a good thing. It would seem, in view of the export conditions, to be the one thing needful to restore the balance between agriculture and business. Anyway, we have been feeding on gloom to the point where indigestion threatens, and we are glad that so conservative a prophet as our Secretary of Agriculture finds reasons for declaring that the agricultural outlook is good."

Section 4.

MARKET QUOTATIONS.

Farm Products

May 25: Chicago wheat market very narrow on the 25th and closed fractionally lower. Corn trade dull and featureless with locals indifferent and prices closed fractionally down at low points for the day. Chicago July wheat lower at $1.17; Chicago July corn lower at 79 1/8¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.31; No.2 hard winter wheat $1.22; No.2 mixed corn 81¢; No.2 yellow corn 82¢; No.3 white oats 45¢. Average farm prices: No.2 mixed corn in Central Iowa 69¢; No.2 hard winter wheat in Central Kansas $1.05; No.1 dark northern wheat in Central North Dakota $1.03.

Hogs steady to 10¢ lower than Thursday's average, bulk of sales $7.15 to $7.50; medium and good beef steers $8.75 to $10.45; butcher cows and heifers $4.50 to $10.00; veal calves $8.00 to $11.25; fat lambs $12.25 to $14.75; fat ewes $4.00 to $6.50.

Arkansas Klondike strawberries $2.50 to $4.50 per 24-quart crate. Tennessee Klondikes $1.50 to $2.75. South Carolina is now the leading potato shipping state. Irish Cobblers ranged $6 to $7.25 per barrel in city markets and $6 to $6.50 in producing sections. Mississippi and Georgia pointed type cabbage $3 to $4 per barrel crate. Texas Yellow Bermuda onions $2.50 to $3 per standard crate in city markets, $2 to $2.15 f.o.b. shipping points. California Bermudas mostly $2.75 to $3.

Eastern hay markets dull with demand poor. Low grades exceeding demand at Boston. Millfeeds barely steady. Demand moderate with offerings good to heavy.

Closing prices, 92 score butter: New York 39¢ Philadelphia 39 1/2¢; Boston 40 1/2¢; Chicago 38 1/2¢.

Spot cotton prices unchanged at 27.74¢ per lb. New York July future contracts up 5 points, closing at 27.10¢. (Prepared by Bu. of Agr. Econ.)

Section 1.

Wheat Conference Called — A joint call for a national wheat conference, to be held in Chicago June 19 and 20, was issued May 26 by Governor Small of Illinois, Governor Davis of Kansas, Governor Hyde of Missouri, Governor Donahey of Ohio, Governor Walton of Oklahoma, Governor Nestos of North Dakota, O., E. Bradfute of the Farm Bureau Federation of Chicago, Senator Copeland of New York, George E. Chamberlain, Senator Capper and Aaron Sapiro, according to announcement made through the New York office of the Washburn-Crosby Company. The statement follows: "The dissatisfied condition of a large portion of our agricultural population to-day is very largely due to the price of wheat, which measured by the cost of production and by the purchasing value of the farmer's dollar, is lower to-day than it has been in half a century. To the end that we may find a satisfactory solution for the situation which now confronts the United States, seriously imperilling the structure on which our prosperity is built, we call a national wheat conference to be publicly held in Chicago, June 19 and 20, 1923. To said national wheat conference we invite representatives of organizations of agriculture, commerce, elevators, railroads, millers, bakers, retailers. Also of educational bodies and of all other industries related to the production, manufacture and consumption of our wheat crop; together with individuals interested in the solution of economic questions affecting the Nation." (N.Y. Times, May 27.)

Cunningham Opposes Farmer-Labor Combination — A Des Moines dispatch to the press of May 27 says: "E. H. Cunningham, appointed as the 'Dirt Farmer' of the Federal Reserve Board, is opposed to a farmer-labor combination in politics, he said at a luncheon May 26 in his honor, before leaving for Washington. Although he will represent farmer groups on the Reserve Board, he said, he would seek no more advantage for agricultural interests than they deserve. 'Are we, as loyal Americans, going to disintegrate into classes?' asked Mr. Cunningham. 'The future of our country depends on the answer....."

Radio and Markets — A. D. Welton, Chicago correspondent of the Philadelphia Ledger, says to-day: "The radio is bringing the farmer into closer touch with the markets for his products. It has made simpler the problem for the Chicago Board of Trade, whose president has been giving close study to the relations between the producer and the marketer. President John J. Stream carried on negotiations with representatives of the farmers' cooperative organizations, with a view to admitting them to Board of Trade membership, for a long time before the grain futures act became effective. Recently thousands of tickets of admission to the floor of the Exchange have been issued to farmers and farm leaders as an invitation for them to come and see what happens in the wheat pit. Criticisms and comment are asked, and when offered, are given careful consideration. The purpose is, of course, to bring to the producers of grain an exact understanding of what and how the Board of Trade operates and to remove the fears and doubts which spring from half knowledge and incorrect or prejudiced information. The radio, however, is a good and effective means of market information. Market and financial news and quotations are broadcasted from Chicago at fixed hours several times a day...."

Section 2

American Canned Goods Abroad

The Trade Record of the National City Bank of New York for May 28 says: "The acquaintance which the foreign world made with American canned foodstuffs during the war has developed a permanent postwar demand for this product of our industries. Figures compiled by the Trade Record of The National City Bank of New York show that the exports of canned foodstuffs in the postwar years average five times as much in value as in the years preceding the war and that the canned foods exported from the United States since the beginning of the war aggregate a billion dollars in value. Prior to the war the exports of canned goods aggregated about 15 million dollars a year; now they are running at about 75 millions a year."

Cooperative Marketing

The Breeder's Gazette for May 24 says in an editorial: "The following question is submitted by a 'friendly critic': 'Does the Gazette indorse the cooperative marketing of farm products, on the commodity basis, as now exploited and advocated by farm organizations?' We endorse it if it is begun in communities by farmers whose products are adapted to this form of marketing. Begun in this manner, cooperative marketing would grow locally from the ground up, and thus lay the foundation and produce the practical experience on which to build regional, state and national cooperative systems. Considering our outlets for farm products, our transportation facilities, and the newness of cooperation as a practice to our individualistic, widely-scattered farmers, our opinion is that this country is not ready to have the Danish system of marketing imposed upon it over night. In modified forms, it will be developed here, so far as certain products are concerned. Probably the most important work which has thus far been done by cooperative marketing organizations is that of demonstrating the value of grading and standardizing products of a given class, and thereby enhancing their marketability. This work has been educationally valuable to farmers, because it has directed their attention to a primary phase of modern marketing....No system of marketing farm products, even if they be A-1 in quality and attractiveness, can be accepted as ensuring profitable prices to producers all the time."

Cotton

The Journal of Commerce for May 25 says: "Probably no more brazen suggestion for the violation of the spirit if not the letter of the anti-trust laws has ever been made than that of the American Cotton Association that individuals throughout the South 'buy a bale of cotton' and pledge themselves not to dispose of it for several years unless and until the price of that commodity reached 50 cents a pound. Nor is it likely that a more utterly silly proposal was ever made to sane people. It is, however, not probable that anything of a direct nature will come of the suggestion. To suppose that any number of people would follow Mr. Wannamaker on any such 'wild goose chase' would be to hold a very poor opinion of their intelligence. But there is danger

that a false and seriously injurious idea of the business principles that ought to govern the South in its cotton growing and cotton marketing business will thus be inculcated. This everlasting talk of high and ever higher prices as a necessity in order that the planter obtain a fair rate of profit is not only absurd, but to the extent that it is believed by the farmer is likely to prove exceedingly harmful. Fortunately the American Cotton Association in general and Mr. Wannamaker in particular appear to be losing whatever hold they ever had on the rank and file of the cotton farmer."

County Agents

The Breeder's Gazette for May 24 says in an editorial: "The Gazette has steadfastly advocated and defended the county agricultural agent or bureau system as a practical aid to farmers. As an educational and business institution, the county farm bureau has abundantly justified itself by concrete results. It is a first-class investment for farmers who are critical and cautious in selecting and active in cooperating with the agents or advisers employed. A marked improvement in the character of the service given by county agents has been registered in recent years, due to the fact that there has been an increase in the number of trained and experienced men adapted to this work, and to the further fact that the function of the county agent is better understood and more clearly defined than it has been in the past. Despite the agricultural depression, the number of county agents has increased. This in itself is a tribute to the value of their service to farmers. The county agent who knows his job, and has the personality and temperament which are necessary as supplements to his technical qualifications, is in daily, personal contact with farmers. He is, therefore, in a unique position to counsel and advise, and to speak and act as their representative. Their practical problems are his. Together they are solving those which can be solved. The solution of local problems in agriculture will automatically dispose of most of the larger solvable agricultural problems of State and Nation. This is working from the bottom up, rather than from the top down."

Economic Depression and Farmers

"Any economic depression tends to cumulate disproportionately on the farmer. When demand slacks, the manufacturer curtails production, thus bringing supply and demand nearer together. The farmer's full crop is already produced. General unemployment lowers the purchasing power of his consumers, which in turn lowers his own and produces still more industrial unemployment. So the vicious circle repeats itself, with the farmer the cumulative victim, the only one unable to check the collapse of prices by decreased production. Governmental prices did not produce this law of prices, and can not prevent its operation." (Chester H. Rowell, in World's Work, June.)

Farm Migration

Successful Farming for June says: "A partial survey by the Department of Agriculture indicates that the net loss of rural population moving to the towns and cities was about 1,120,000 in 1922. Some will point to this as an indication that we are

drifting into peasantry. The fact that we have no 'class' stratas of our population makes it possible and desirable that some constantly change occupations. Some want to try their luck in town and city, and some want to take a whirl at farming. The utter lack of fixity need not alarm anyone. We need only be alarmed when there is no freedom of movement from one occupation to another; when son follows in the footsteps of his father; when once a farmer always a farmer, or once a laborer always a laborer. High prices in any line of business or occupation attract an undue number to that line of endeavor. Thousands of merchants fail every year. Thousands of laborers drop their tools and become farmers. Thousands of farmers leave the fields for work in town, if wages or prices seem more attractive elsewhere. In fact, machinery on the farm makes it possible for one family to produce as much as several used to. War prices induced many city men to try agriculture, or many farmers to cultivate more acres. This overproduction has to end sometime. There must be a weeding out so that undue competition may not destroy agriculture. This process has gone on in the business and financial fields and nobody is alarmed for fear of a shortage of goods or finance. If fewer farmers operate the farms it ought to be a step in the direction of stabilized, remunerative prices."

Government in Business

Theodore M. Knappen is the author of an article entitled "How Much More Business Baiting Shall We Endure?" in The Magazine of Wall Street for May 26. He says in part: "In general, the whole conception of a lot of our reformers -- many of them well-meaning at that -- is that whatever is being successfully done by individuals must be harmful to the generality and to the State. Wherefore, the great popular sport of our day has become business-baiting...Deppite all that has been done to it business has survived, but I fear the supreme crisis is yet to come. Senator Brookhart is arranging to cooperate it out of the running with governmental assistance. Senator Ladd is planning to have Government take over the simple task of making prices for certain commodities. Senator Norris goes him one better, and would have the Government do all the agricultural export business. Senator Couzens and others seem to be philandering with Government ownership of the railways.....These and other Congressmen are plotting raids on private capital under the guise of further taxation; at the same time that the administration intimates that national finances are about ready for lower taxes....Now all this doesn't mean that we can go back to Jefferson's simplicity and relegate Government to police work and public defense. It doesn't mean that the business world is an aggregation of amiable philanthropists and altruists who would never grab overmuch when the grabbing was good and who work overtime by the golden rule. On the contrary, I believe that it is the big job of Government to-day to be the umpire of the business game, to the end that it shall be fair and that this shall remain the land of opportunity....It is a job for statesmen, a job for long study and detached thought--a tremendous enterprise in the harmonization of economic and statutory law. It can't be expected of men who see red whenever they see a private fortune and suspect every man who has made a competence."

Section 3.
MARKET QUOTATIONS.

Farm Products For the week ended May 26: Grain prices kept small range most of week with advances about offsetting declines but sharp break to-day resulted in lower close compared to the 19th. For the week Chicago July wheat declined 1 1/4¢; Chicago July corn declined 2 1/2¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.29; No.2 hard winter wheat $1.19; No.2 mixed corn 79¢; No.2 yellow corn 80¢; No.3 white oats 44¢. Average farm prices: No.2 mixed corn in Central Iowa 67¢; No.1 dark northern wheat in Central North Dakota $1; No.2 hard winter wheat in Central Kansas $1.05.

Chicago hog prices declined 10 to 25¢ for the week. Better grades beef steers, yearlings and heifers largely 25 to 40¢ higher, lower grades mostly strong to 25¢ up; stockers and feeders strong to higher; butcher cows 25¢ higher; light veal calves 25 to 50¢ lower, good to choice kinds steady. Fat lambs and yearlings 75¢ to $1.25, spring lambs $1.50 to $2 and fat sheep $1 to $1.50 lower.

Florida Spaulding Rose potatoes selling $1 a bbl. lower in city markets for the week. South Carolina Cobblers weaker in New York; steady in other cities. Texas stock lower. Old stock steady to weaker. Texas and California Bermuda onions decline. Cabbage markets slow and dull as the active season draws to a close. Best Arkansas, Tennessee and Kentucky strawberries sell firm. Eastern berries weaker.

Butter markets unsettled during the week and weak at close.

Closing prices, 92 score butter: New York 39¢; Philadelphia 39 1/2¢; Boston 40 1/2¢; Chicago 37 1/2¢.

Following advances amounting to about 2¢ which occurred on Wisconsin Boards Monday, cheese markets appear firmer. Trading has been fairly active at the new prices but on the whole business is being done on a confident basis.

Prices at Wisconsin Primary cheese markets May 25: Twins 23 1/2¢; Daisies 23 3/4¢; Double Daisies 23 5/8¢; Young Americas 23 1/2¢; Longhorns 23 3/4¢; Square Prints 25¢.

Western hay markets dull with demand poor. Low grades exceeding demand at Boston, Quoted May 25- No.1 timothy - Boston $26, New York $25.50, Philadelphia $23, Pittsburgh $21.50, Cincinnati $20.50, Chicago $23, St. Louis $25, Memphis $24, No.1 alfalfa - Kansas City $25.25, Memphis $33. No.1 Prairie - Kansas City $19.50, St.Louis $23.50.

Millfeed market barely steady. Demand moderate with offerings good to heavy.

Spot cotton prices advanced 172 points during the week. New York July future contracts advanced 170 points.(Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	May 26,	May 25,	May 26, 1922.
20 Industrials	97.48	96.65	95.47
20 R.R. stocks	82.58	82.35	86.66

(Wall St. Jour., May 28.)

Section 1.

Negro Migration from South

The New York Times to-day says in an editorial: "Most of the comments about the migration northward of the southern negroes have dealt with its economic aspects. The lure of high wages, with better living conditions, has been held to be the principal cause of the movement. Now comes a voice from the South to protest that, although economics play their part, the principal reason for the exodus of negroes from the South is that they are not fairly treated there. This is the burden of an editorial in The Enquirer-Sun of Columbus, Ga., which quotes liberally from The Albany (Ga.) Herald. The Columbus editor says of the negro: 'He does not receive justice in the same measure that the white man does, and he is not given adequate protection. Too scant attention is paid to his physical needs--those who rent him homes think that any sort of shack is good enough for the negro; the sections he occupies in cities are practically always unsanitary, the streets usually unpaved, and no incentive given him to emulate the standards set by the white man. And the question of schools for the negro fails to receive the proper attention.'.... In an effort to stem the exodus southern papers in recent months have been printing stories about the evil effects of the northern climate on the negroes, and have endeavored to show that the negro is not understood in the North, and is certain to suffer brutal hardships.....The true policy, as the editor of The Enquirer-Sun points out, lies in a concerted move on the part of the business leaders of Georgia and other Southern States to see that the negro receives better treatment. Lawlessness of the kind that has been too common in the past must be stopped. Greater efforts must be given to protecting the negro in his rights and to helping him improve his material conditions. The South wants the negro and, given equality of treatment, the negro prefers the South. When the white men in the South begin to appreciate the part that they have played in furthering the exodus it is likely that they will be able partly to check it. To attempt to stop it by legislation, however, or by terrorization, or by depriving the negroes of the opportunities of learning where their labor is in demand, is to fail to strike at the fundamental causes."

Wilson Jefferson writes in The Philadelphia Ledger to-day "The South has put too great a burden on one class--and virtually its only class--of workers, and it has put too much dependence upon a single crop--cotton. It has not learned how to be even partially self-supporting and independent. Is it to be marveled at, then, that the black man is now glad to get away from these inhospitable conditions and get for himself a job that will pay him a decent fixed wage? The only reason why he has not left the South before this is that he has not had as enticing an opportunity. It follows naturally that no class of 'alien' white laborers would be willing to move to the South and work under such unfavorable living conditions. If some of the comparatively poor, idle and semi-idle whites who now infest the South will get down to the actualities of the situation and go to work, the whole section will be immeasurably better off."

Farm Wages in New Jersey

A Swedesboro, N.J., dispatch to the press to-day says: "Sweet potato planting is now on in earnest in this section. High wages are being paid by growers, good men commanding $10 and lunch for setting out sprouts and working ten hours a day. The average farm hand is receiving $110 and board, per month."

Section 2.

Agricultural Situation

Farm, Stock and Home for May 15 says in an editorial: "President Reed, of the Minnesota Farm Bureau Federation, thinks he has a cure for the ills of the farmer. He says: 'Buy absolutely nothing that stern necessity does not imperatively demand. If every farmer will make that his absolute rule, he will be surprised how quickly his economic condition will change. No murder, no bombs, no shock to the sense of propriety. No resort to methods so commonly known that were so ruthlessly practiced by those controlling finance during the past few years. Apply with that stern rigor that has made farmers from the beginning so independent and self-reliant this rule of buying literally and absolutely, and the time can be counted in months when the value of land and equipment and the necessary labor to produce the products of the farm will bring an equal return in money that the investment and labor in other industries bring when their products are sold. This equality the farmer is entitled to and will not be satisfied with less. Changes in methods of marketing and equality in methods of financing the industry of agriculture will come and prove helpful but their helpfulness is too far distant.' We must emphatically dissent from the views of President Reed that buying less will produce the results he claims. In the first place, how can farmers, as a class, buy any less than they have since the fall of 1920? If small purchases by farmers would bring about their prosperity, every one of them should now be well to do, with debts all paid and money in the bank. A buyers' strike can never bring prosperity. It was such a strike in 1920 that did much to make the deflation which started in that year more drastic than it would otherwise have been."

Agriculture in Britain

"Unlike the case in this country, agriculture does not rank among the most important British industries from an economic point of view, but the vital necessity of the homegrown food supply in case of any interference with foreign trade gives it a peculiar political significance. It is estimated by the London Joint City and Midland Bank that the following percentages of farm products consumed in the United Kingdom were imported in 1922: wheat, 73 per cent; barley, 37 per cent; oats, 18 per cent; beef and veal, 57 per cent; mutton and lamb, 63 per cent; pig meat, 58 per cent. The desire to minimize the Nation's dependence upon foreign food and the consequent governmental responsibility for past and future encouragement of agriculture have undoubtedly influenced the proposals now brought forward with regard to agricultural credit." (Fed. Res. Bulletin, May.)

Canadian Pulpwood Export

An Ottawa dispatch to the press of May 28 says: "The possibility of Canada placing an absolute embargo on export of pulpwood must now be taken seriously. Until Minister of Finance Fielding made his recent statement announcing that a Federal inquiry would be instituted into the question, it was not considered important. As the United States is the sole purchaser of Canadian pulpwood, it is vitally interested. While it is true that the export of pulpwood to the United States has not increased

very much in the last few years, it is expected the rapid depletion of American supplies will make greater recourse to Canada necessary".

Consumption Campaigns

In an editorial on the "Eat More Wheat" campaign, The Farmer, St. Paul, for May 26 says: "The casual critic is likely to say that a campaign to increase the consumption of any one product is likely to decrease consumption of other products. Have you noticed this in the case of the milk and raisin campaigns? The 'Eat More Wheat' campaign may not do everything that its enthusiastic advocates hope and believe. However, the wheat grower, who is not paying the bill and who is very likely to receive a material benefit, has no reason to look on the campaign with anything but friendliness. The nearer we can come to entire home consumption of the American wheat crop, the better the price should be, because our home market is our best market."

Eastern Beef

"Why Not Eastern Beef?" is the title of an article by Samuel Russell, jr., president of the New England Hereford Breeders' Association, in The Field Illustrated for June. Mr. Russell says in part: "The question of supply and demand is one that has been entirely overlooked by the East so far as beef, mutton and pork are concerned. New England consumes vast quantities of meats annually and practically none is grown within a thousand miles of the source of consumption; most of it coming two thousand miles to supply our dinner tables. Why should this be? Why should we send $20,000,000 annually out of Connecticut alone to the western cattle breeders or packing houses for the beef which we could raise within our own State? Other New England States are making exactly the same economic mistake. The raw products for our manufacturing concerns, such as steel, cotton, and so forth, which we buy in vast quantities and then transform into more valuable products are sold at a profit is proper and legitimate business, but buying beef from the West gets our money and that is the end of it."

European Agriculture

The Rural New-Yorker for May 26 says in an editorial: "From all the reliable reports we can obtain the farmers of Europe are in comparatively better condition than any other class of workers. Many big estates have been broken up, and it never was easier to obtain land in Central Europe. Millions of dollars earned by foreigners in this country have been sent to Europe for land investment. In many cases the depreciated currency of European countries has enabled farmers to pay mortgages and debts which were contracted before the war.....The Great War has taught Europe the fundamental lesson of economics--that the farmer is the foundation of civilized society."

Farm Migration

The Wichita Eagle for May 21 says in an editorial: "How the prevailing exodus from farm to factory is a good omen as to the status of American agriculture is explained by Prof. H.D. Walker of the Kansas State Agricultural College in a special article to the Eagle. He says: '.....Farms are growing fewer in number, larger in area, and power units are increasing in size. The farmer is becoming more efficient and will still produce more per man. The rural population can safely become smaller.' "

Farm Wages

Hoard's Dairyman for May 25 says in an editorial: "The high wages of the city are making many of the young men of the farm, and some older ones, too, for that matter, rather discontented. Many leave the farm feeling that the higher wages of the city will give them an opportunity to earn and save more money. There is little question but that under present conditions more money can be earned in the city, but it is an open question whether as much money can be saved in the city as in the country."

Immigration

Farm and Ranch for May 26 says in an editorial: "Those who would let down the bars and open wide the ports of the United States to unrestricted immigration find much comfort in the reports of temporary labor shortage in our industrial districts and in the southeastern farming sections. There is reason to believe that the greater portion of these reports originate in the minds of those who oppose the present restrictive laws. At least, they have taken advantage of the present demand for labor and are making it a basis for propaganda on the subject of immigration. There may be a temporary shortage of labor in some industrial districts and in the farming sections of the Southeast, as reports indicate, but a slight let-up of business, which may come any time, would throw many men out of employment. Even now, in many of our cities, men and women are seeking jobs. This shows that labor is not properly distributed and that eventually there will be an adjustment of supply with every place filled. This country is not in need of more liberal immigration laws. What is needed most is the plugging up of the holes in the present laws in order that the authorities can more successfully turn back undesirables."

Land Reclamation

Farm, Stock and Home for May 15 says in an editorial: "It will be interesting to see the answer the advocates of bringing more land into cultivation at great expense will make to the report of the Department of Agriculture showing a decrease in farm population of nearly half a million in 1922. If the farmers we now have are unable to make enough to keep them on the land, is it not the height of absurdity to add to our tax burdens by irrigation, land clearing or land drainage projects? Of course the St.Paul farm paper that advocated governmental aid to immigrants in order to bring down the price of farm products will probably still boost for all of these projects."

Rural Credits

The Magazine of Wall Street for May 26 says in an editorial: "Forward steps, although whether rightly to call them 'forward' or not is a question, have been taken by the Federal Farm Loan Board in its organization of the new intermediate credit banks provided for by the act of March 4, 1923. The business world has received with favor news that the capitalization of these banks is to be held down to $1,000,000 each, in place of the $5,000,000 provided for in the law, and that effort is being made to prevent the paper taken for discount from being unduly long in term or hazardous in security. Undoubtedly, the Federal authorities are convinced that they have on their hands a dangerous measure which may easily lead to disaster if they allow borrowers to enter the new banks too freely and under too lax and liberal conditions....."

Section 3.

Department of Agriculture

Farm, Stock and Home for May 15 says in an editorial commenting on the department statement regarding intended plantings of cotton: "In view of the widespread dissatisfaction and suspicion of Government crop estimates among many farmers, this attempt to guess at what several million farmers intended to do was in our opinion, expressed in common language, a 'boner.' What object was there to be served? Inasmuch as the figures reached could be nothing more than the veriest guess, why were not the farmers given the benefit of the guess and the reduction in acreage made high enough to be a 'bull' influence in the market, instead of a 'bear' factor? Whether or not this report is the cause, the hard fact is that wheat has broken eight cents a bushel since it was issued. We hope the department will not spend the rest of the crop year gradually reconciling this five and a half per cent mind-bet on the decrease of spring wheat acreage, with the real decrease that can be closely ascertained after seeding. In justice to the spring wheat growers, a very thorough canvass of the spring wheat acreage, carefully segregating bread wheat from durum, should be made as of June 1st, giving the true figures without regard to how they match the intended planting guess."

Section 4.

MARKET QUOTATIONS.

Farm Products

May 28: Continued liquidation forced prices lower on the 28th but short covering and buying by commission houses brought about a reaction from low points. Lack of confidence in market and better weather conditions were responsible for break. Chicago July wheat lower at $1.14 1/8; Chicago July corn higher at 77¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.28; No.2 hard winter wheat $1.18; No.2 mixed corn 79¢; No.2 yellow corn 79¢; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 66¢.

Chicago hog prices generally 25¢ lower, bulk of sales $6.90 to $7.30; beef steers $8.50 to $10.35; butcher cows and heifers $4.75 to $10.00; feeder steers $6.60 to $8.50; veal calves $8.00 to $11.00; fat lambs $11.75 to $14.00.

Virginia pointed cabbage from the Eastern Shore ranging $1.75 to $2.25 per barrel crate in city markets. Florida Spaulding Rose potatoes $6.50 to $7.75 per barrel in eastern markets. Texas Yellow Bermuda onions $2.25 to $2.75 per standard crate. California Bermudas $2.50 to $3. Maryland and Delaware Klondike strawberries mostly 15¢ to 18¢ quart basis in eastern cities. Virginia Eastern Shore berries 7¢ to 14¢. Tennessee and Arkansas Klondikes best $2.25 to $2.75 per 24-quart crate in leading markets.

Closing prices 92 score butter: New York 39¢; Philadelphia 39 1/2¢; Boston 40¢; Chicago 37 1/2¢.

Spot cotton prices up 13 points, closing at 27.97¢ per lb. New York July future contracts up 11 points, closing at 27.24¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	May 28,	May 26,	May 28, 1922
20 Industrials	97.25	97.48	96.41
20 R.R. stocks	83.16	82.58	86.83

(Wall St. Jour., May 29.)

For Secretary's Office DAILY DIGEST May 31, 1923.

Section 1.

Egg Marketing Conference — The press of May 30 reports from Chicago: "Delegates from 46 States in session at Chicago May 28 listened to the details of a plan for cooperative marketing of eggs that promises to save the consumer 25 per cent and at the same time net the producer 25 per cent more in profit than under the present way of dealing through commission houses and other middlemen. It was proposed to establish central stations for the gathering and grading of eggs. They will be sorted as to weight, condition and color, and shipped to the markets calling for particular classes of eggs."

A second press report states that Mrs. W. C. Martin, of Texas, chairman of the home and community committee of the American Farm Bureau Federation, was chosen chairman of the national egg marketing conference held under the auspices of the A.F.B.F. in Chicago.

Mexican Agrarian Laws — The Philadelphia Ledger to-day reports from Mexico City: "Charles B. Warren defined at a conference May 30 the American views on Mexico's agrarian laws, completing his exposition. Commissioners Gonzales and Roa will state the Mexican attitude Friday. ....At the conference following the agenda, when Senors Gonzales and Roa finish their explanation of the agrarian program, Mr. Warren will ask what Mexico proposes to meet the requirements of international law."

Land for Britain's Unemployed — A New York dispatch to the press to-day says: "Plans for settling 7,000 unemployed British families a year in New South Wales and Victoria have been completed by the British Government, Premier Fuller, of New South Wales, and Premier Lawson, of Victoria, announced upon their arrival at New York on the steamer Majestic. Unused Government lands will be set aside for them and provided with the necessary irrigation. The colonists will be given 36 years in which to make the land pay for itself. New South Wales will take 6,000 families a year and Victoria 1,000. The two premiers plan to proceed to Australia by way of Vancouver, after a brief visit to Washington."

Cotton Estimate — The New York Times to-day says: "Cotton crop estimates by the Department of Agriculture have been awaited with critical interest by the trade at many times in the last two years, but peculiar interest will surround tomorrow's condition report because of the unusual stake which the spring trade has in the harvesting of a full crop of cotton this year. The trade has estimated that, if consumption continues at the recent rate, a new crop of 13,500,000 bales will be needed to provide for actual requirements and leave any adequate reserve. The total carry-over of American cotton was 9,300,000 bales in August, 1921, and 4,900,000 in August, 1922; it has been estimated that between one and two million bales will be carried over next August...."

Section 2.

Agricultural Situation

The Daily Argus Leader for May 26 says in an editorial: "Secretary Wallace says that the farmers of the corn belt are coming back. This must be manifest to all who observe the increase in bank deposits, who note the enlarged building operations in the Middle West and who see the better feeling of the farmers throughout this section. The effort to line up the Midwest farmer in a class movement is going to be a failure, we are glad to observe."

Argentine Economic Situation

Isaac Grinfeld says in an article on "The Economic Situation of the Argentine Republic," in The Annalist for May 28: "....With both the import and export trades upset, general business lagged, and the country found itself facing an overproduction crisis. The whole economic machinery, which had adapted itself to the abnormal conditions created by the war, had to be readjusted, and in this process the Argentine Republic has been engaged in the last few years. A catastrophe like the war, with its destruction of capital and general impoverishment throughout Europe, could not but affect profoundly the economic activities of a country like the Argentine Republic, in the life of which foreign commerce plays such an important role. Overproduction in agriculture may be relieved within a year or two. In livestock breeding, however, a longer period is required. Reliance for the relief of the existing overproduction of cattle and sheep must be placed on lower quotations which will make it possible to dispose of the surplus stocks, even though at unremunerative prices and, at the same time, discourage further production in those lines, thus bringing about in the long run a closer equilibrium between demand and supply. How to find a greater outlet for Argentine products is the fundamental problem confronting the country to-day, the solution of which yet remains to be found. The purchasing power of the European countries, which were at all times the chief consumers of Argentine products, is greatly impaired.....Recovery from the present depressed conditions will necessarily be gradual, as outside factors beyond national control constitute the dominant influences, the Argentine situation being but a reflex of the world situation. That the future development of the Argentine Republic is bound to be exceedingly important seems, however, obvious.....There is every indication that the United States will hereafter be forced by economic circumstances to devote more attention to manufactures and less to agricultural and pastoral pursuits. Increased production in the latter yields diminishing returns, as extensive cultivation becomes less profitable due to the constantly rising land values, and the exhaustion of the soil and the increase of population; and thus the cost of production of agricultural and pastoral products in the United States will necessarily be much higher than in younger and less populated countries such as the Argentine Republic. A conclusive proof that agricultural and pastoral pursuits are not, in fact, capable of withstanding foreign competition even now, is afforded by the great clamor of the agricultural communities for tariff protection. This, in itself, shows that the activities mentioned can be maintained only under artificial conditions....The lowering

of the cost of living obtainable by a reduction of the prices of agricultural and pastoral products, to prevent the further increase of wages, on the one hand, and the reduction of the cost of manufacturing production through cheaper raw materials in order to maintain lower prices of manufactured goods, on the other, will become more and more the great desiderata in the United States, eliminating eventually the protective tariff; and thus the American market for Argentine meat, hides, wool, wheat, linseed, quebracho extract, etc., will be opened to mutual advantage."

Canadian Reciprocity The Grain Growers' Guide (Winnipeg) for May 23 says in an editorial: "In presenting his budget Mr. Fielding rendered lip service to the traditional policy of the Liberal party for closer trade relations with the United States. His remarks, however, indicate no real businesslike attitude upon this matter, which is perhaps the most vital of all our commercial relations. It is true he provided a new clause to be placed in the statutes by which the Canadian Government will be authorized to negotiate a trade agreement with the United States Government, subject to the approval of Parliament. He also provided another clause enabling the Government by order-in-council to reduce the duties on cattle, wheat, potatoes and certain other agricultural products should the President of the United States exercise the personal authority, which he holds by statute, to reduce the duties levied on similar items in the American tariff. Both these provisions are excellent in themselves, and they sound well, but their usefulness depends almost entirely upon the attitude of the Canadian government, of which Mr. Fielding is the moving spirit...Canada has a population of 9,000,000 people burdened with debt, while the United States with a population of 110,000,000 is the wealthiest nation on earth, and more nearly self-contained than any other country in the world today. The United States is the most logical market for much of our natural produce and for a considerable volume of our manufactured goods, and this market is growing larger and more desirable year by year. It is reasonable to assume that in the not far distant future the chief market for our natural products will be found to the South. Instead of attempting to stand upon a foolish dignity the Canadian Government should be doing what any sensible business concern would do under the circumstances. Canada should have her own ambassador and staff at Washington, dealing directly with the United States Government, educating the American people in the knowledge of Canada and its resources, and strengthening the bond of goodwill between the two countries, which would be certain to develop into closer trade relations. Furthermore, Canada should have a staff of trade agents in the United States, as it has everywhere else in the world, cultivating a market for Canadian exports, both natural and manufactured....."

Cooperative Marketing

Chicago Journal of Commerce for May 26 says in an editorial on cooperative marketing: "All that present marketing agencies know about such matters must be learned. Not until then can any community safely dispense entirely with the service of such agencies. It is no more reasonable to expect that a cooperative unit in a rural community can instantly acquire such experience than that many of those now serving them might go out and at once run the farms successfully."

European Market

Sioux City Live Stock Record for May 23 says in an editorial: "Agricultural America has been attributing much of the financial distress of the past two or three years to the fact that European exchange was so unsettled that there was only a limited export outlet for our surplus farm products, says an exchange. To a certain extent this has been so. Starving Europe would undoubtedly have been a liberal buyer of American foodstuffs if she had had the price The farmers over there were not producing enough to supply their own needs. In this country there has been a very general belief that when affairs got straightened out in Europe there would be an immediate and heavy demand for grain and livestock products and the American producers would profit accordingly. There is another side to the proposition, however, that has been overlooked to some extent When conditions are normal across the water the European farmers produce nearly enough to supply the domestic demand and the stabilization of Europe would mean a full return of the producing power of her farmers. In short, as a writer in the Kansas City Star points out, a stabilized Europe would mean an immediate reduction in the need for foodstuffs from America....It is a serious question whether the American farmer would profit by a return of the old world to normalcy. In fact, if the Russian peasant settles down and that country once more becomes an exporter of grain and livestoc products, the American farmers and stock growers are almost certain to suffer seriously from the competition. Sentiment is a fine thing, but it is well to guard being carried away by it. The cold, hard facts are that stabilizing Europe, if such a thing is possible, means an era of the stiffest kind of competition for the American farmer and stock grower and it is the part of wisdom to be awake and wise to the prospect."

Farm Implement Exports

Exports of agricultural implements from this country during March were the largest in many months, totaling $3,709,743. This volume was not equaled during any month in 1922, and only by three months in 1921. The value of the exports of these goods for the first quarter of this year, according to the Department of Commerce, was more than 100 per cent greater than in the same period in 1922. It amounted to $9,339,233, and was exceeded only by the exports during the first and second quarters of 1921. The principal increases in the March exports were in such items as threshers, mowers harvesters and reapers. Generally the exports of tractors also registered an increase, but there was a decrease in the number of wheel tractors shipped abroad during the month. This was compensated for by the increased demand for garden and track-laying tractors. The outstanding feature of the exports for the first quarter was the greatly increased shipments of tractors covering garden, wheel and the track-laying types. The value of these exports was 12 per cent greater than that of the same quarter in 1921.(Press,May 27.)

Farm Labor

The Prairie Farmer for May 26 says in an editorial: "At a time like this someone always pops up with the suggestion that we import Chinamen or Mexicans or Italians to work on the farm. There are two serious objections to this. In the first place, these men are wholly unfamiliar with farming as it is carried on in this country. They would make the greenest kind of green help, and it

would be hard to teach them by sign language. UIn the second place, the hired man on the farm is practically one of the family, or at least, if he is married and lives in a tenant house, our closest neighbor. Few farmers would care to take a Chinaman or a Mexican into the family."

Grading Products

The Weekly Kansas City Star for May 23 says in an editorial: "Selling farm products ungraded is one of the worst handicaps of the farmer in his marketing operations. Such a system invariably penalizes the careful, painstaking producer and pays a premium to the indifferent and careless farmer. The buyer of ungraded products must run the risk of finding enough good material in his purchases to offset those of low grade and to pay for the cost of grading. To be sure that he has made no mistake he naturally gives himself the benefit of a doubt and allows a wide margin of safety....We say there are too many middlemen operating between the farmer and the consumer, yet the farmer by throwing his products on the market in small lots, ungraded and unclassified, is making this army of extra middlemen a necessity. There is but one way to dispense with the services of these speculators and that is for the farmer to give this service himself."

Irish Landlord System Bill

A Dublin dispatch to the press of May 29 says: "The land bill, the cost of operating which is $125,000,000, was introduced May 28 in the Dail Eireainn by Agriculture Minister Hogan. It is the seventh land measure making for peasant proprietorship in Ireland and the first introduced in the Irish Parliament. Its effect will be to complete peasant proprietorship and abolishing tenancies. It affects 70,000 existing tenants representing an annual rent of nearly $5,000,000, but while making them proprietors it aims also at establishing peasant proprietors on the present untenanted land devoted to grazing cattle and sheep. The land when necessary will be compulsorily acquired by the Government, the owners being paid in bonds at 4½ per cent. The Government contributes 10 per cent to the purchase price, which with the present rents totals in about fifteen years the purchase price. It is proposed to plant the untenanted lands with farmers' sons and laborers. The bill has had a favorable reception, but will likely be resisted by the landowners in the debate stages. The measure, however, has strong popular support."

Section 3.

Department of Agriculture 1

The Daily Drovers Journal-Stockman for May 25 says in an editorial:"A suggestion has been made to the Secretary of Agriculture that he quit harping on the losses and hard luck of the exclusive grain farmers and let the country know that many intelligent farmers, notably the stock farmers, are no longer flirting with the sheriff. It is a mighty good suggestion. We all know the wheat grower has been getting it in the neck. That is one reason why he has been so successfully touched by the blue sky peddlers and sure thing promoters the last few years. To-day the wheat farmer's condition is the exception and not the rule and the real farmers of the country should not be regarded as paupers. If the Department of Agriculture would issue a statement showing the present purchasing

power of the stock farmer's dollar, the dairy farmer's dollar, the fruit grower's dollar, the cotton grower's dollar, and so on, as well as the wheat grower's dollar, it would throw some needed light on the subject and give the real farmers of the country a better standing."

Department of Agriculture 2

The Daily Drovers Journal-Stockman for May 25 says in an editorial: "An official Government report on the extent of pig mortality this spring is needed. The country has been fed up on reports of the tremendous crop of spring pigs and would like to know what per cent of them survived the unfavorable weather conditions."

Section 4.

MARKET QUOTATIONS.

Farm Products

May 29: May wheat decidedly weak under scattered liquidation and closed at discount under July. There was some selling of corn in sympathy with wheat but short covering and removal of hedges kept prices on firm basis and the close was slightly higher. Chicago July wheat lower at $1.12 7/8; Chicago July corn higher at 77 1/4¢.

Closing prices in Chicago cash market: No.2 red winter wheat $1.24; No.2 hard winter wheat $1.15; No.2 mixed corn 79¢; No.2 yellow corn 80¢; No.3 white oats 43¢. Average farm price No.2 mixed corn in Central Iowa 67¢.

Chicago hog prices around 10 to 15¢ lower than Monday's average, bulk of sales $6.80 to $7.20; butcher cows and heifers $4.50 to $9.85; beef steers $8.50 to $11.10; veal calves $8.00 to $10.75; fat lambs $11.75 to $14.50.

Florida Tom Watson watermelons, 22-30 lb. average, $400 to $950 bulk per car in city wholesale markets and sold in Boston and Pittsburgh at 40¢ to 90¢ unit basis. Florida Salmon Tint cantaloupes $3 per standard crate of 45 melons in New York, honey dews $3 to $3.25. South Carolina Cobbler potatoes mostly $6 to $7 per barrel, $7.50 to $8 in Boston, $7.35 to $7.50 in Chicago. Maryland, Delaware and New Jersey strawberries various varieties, 10 to 22¢ quart basis in eastern markets. Texas Yellow Bermuda onions $2.25 to $2.75 per standard crate. California Bermudas $2.50 to $2.75.

Spot cotton prices up 14 points, closing at 28.11¢ per lb. New York May future contracts up 11 points, closing at 27.35¢. (Prepared by Bur. of Agr. Econ.)
